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1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
2 COMMISSION

3 WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,) DOCKET NO. UT-950446
4) PAGES 1-68
Complainant,)
5)
vs.)
6)
U S WEST COMMUNICATIONS, INC.,)
7)
Respondent.)
8 -----)

9 A hearing in the above matter was held
10 at 2:36 p.m. on April 26, 1995, at 1300 South
11 Evergreen Park Drive Southwest, Olympia, Washington
12 before Chairman SHARON NELSON, Commissioners RICHARD
13 HEMSTAD and WILLIAM GILLIS, Assitant Attorney General
14 STEVEN SMITH, and Regulatory Affairs Acting
15 Administrator, ROBERT WALLIS.

16

17 The parties were present as follows:

18 U S WEST COMMUNICATIONS, by EDWARD SHAW,
19 Attorney at Law, P.O. Box 21225, Seattle, Washington
98111.

20 WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION STAFF, by JEFFREY GOLTZ, Assistant
21 Attorney General, 1400 South Evergreen Park Drive
Southwest, Olympia, Washington 98504.

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23 FOR THE PUBLIC, DONALD TROTTER, Assistant
Attorney General, 900 Fourth Avenue, Suite 2000,
Seattle, Washington 98164.

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Cheryl Macdonald
25 Court Reporter, CSR

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1 APPEARANCES (Cont.)

2 AT&T WIRELESS and McCAW CELLULAR, by ROSS
3 C. BAKER.

4 TCG SEATTLE, by GREGORY KOPTA, Attorney
5 at Law, 1501 Fourth Avenue, Suite 2600, Seattle,
6 Washington 98101.

7 WITA, by RICHARD A. FINNIGAN, Attorney at
8 Law, 1201 Pacific Avenue, Suite 1900, Tacoma,
9 Washington 98402.

10 WHIDBEY TELPHONE COMPANY, by ROBERT S.
11 SNYDER, Attorney at Law, 30th Floor, Key Tower, 1000
12 Second Avenue, Seattle, Washington 98104.

13 MCI METRO ACCESS TRANSMISSION SERVICES,
14 INC., by CLYDE MacIVER, Attorney at Law, 4400 Two
15 Union Square, 601 Union Street, Seattle, Washington
16 98101.

17 GTE NW, Inc., by TIMOTHY O'CONNELL,
18 Attorney at Law, 1800 41st Street, Everett,
19 Washington.

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1 P R O C E E D I N G S

2 CHAIRMAN NELSON: This hearing will please
3 come to order. This is a special emergency
4 adjudicative proceeding we are conducting today.
5 We are convened here under section 34-05-479 of the
6 Administrative Procedure Act which authorizes
7 emergency adjudicative proceedings where immediate
8 agency action is necessary to prevent or avoid
9 immediate danger to the public health, safety or
10 welfare. This proceeding has been commenced to
11 address the problems associated with the transition to
12 the new 360 area code, and to find out whether there
13 are any actions that can be taken to reduce those
14 problems.

15 On April 12, we conducted a fact finding
16 investigation during open public meeting. Public
17 witnesses described numerous problems they were
18 experiencing with the 360 conversion. Parts of the
19 network are unable to handle the new area code. We
20 found international calling problems and we found
21 problems with PBXs that have not been upgraded to
22 recognize this new area code.

23 These in turn caused complaints about
24 various companies' responses to their customer's
25 problems. Our staff since April 12 has been

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1 conducting further investigations, and it appears that
2 the problem of number exhaustion may be less acute
3 than it previously appeared, and that it may be
4 possible to delay the end of the permissive dialing
5 period, the grace period, in order to assist at least
6 some of the customers experiencing problems in the
7 transition to 360.

8 We've commenced this emergency adjudicative
9 proceeding on our own motion. That is because we
10 understood that any delay in the mandatory cutover to
11 360 must be communicated to the traffic routing
12 administrator at BellCorp by 5:00 eastern standard
13 time on this Friday, April 28, in order for the
14 network administrators around the country to be
15 notified to change the routing for the central office
16 codes that would otherwise be turned up on June 5 and
17 June 15. Thus if we do not take action immediately it
18 appears that it will be too late to take any action to
19 extend the permissive dialing period and the welfare
20 of some telecommunications consumers in this state
21 will be immediately harmed. We expect to hear from
22 the parties today on the necessity, if any, for
23 immediate action.

24 I would note for the record that in
25 determining whether to initiate this emergency

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1 proceeding the commissioners have discussed the matter
2 with representatives of U S WEST Communications and
3 with our staff, and our staff in turn has conducted
4 numerous conversations with other affected industry
5 representatives. In making our decision whether to
6 take action and what action might be needed we will
7 consider the comments and written submissions from our
8 April 12 open public meeting as well as any written or
9 oral evidence that we receive here today. The tape
10 and written submissions from the April 12 open meeting
11 will be made a part of this record today.

12 We're going to be as informal as we can be
13 today given the nature of our task and the number of
14 interests who are represented here. We intend to
15 start hearing various companies' comments, and then we
16 will hear comments and recommendations from our staff.
17 And we will then, if there is time -- both of my
18 colleagues have to be elsewhere tomorrow in the state,
19 and therefore if there is time we will hear from any
20 further commenters who have signed up. I see some
21 names that we heard from already on April 12 on the
22 list of people signing in today.

23 We have a court reporter here who will be
24 taking down the comments that people make today. I
25 would ask everyone that comments to speak slowly and

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1 distinctly so that she can get it all in our record.
2 We will swear in each witness who testifies and after
3 each witness has spoken we may have questions. The
4 commissioners and our advisory staff on the bench with
5 us today may have questions, and then the witness's
6 attorney may have some further questions. We don't
7 expect to let the lawyers cross-examine in the sense
8 that we ordinarily do in a quote-unquote regular
9 adjudication so that we can get through this
10 proceeding as rapidly and as efficiently as we can
11 today.

12 And because there are many facets to this
13 problem, we would encourage counsel, if you have
14 witnesses present, you may think about trying to make
15 them all appear as a panel, try to accommodate as many
16 witnesses as possible at the witness table, if a panel
17 would make things move faster. And so then to start
18 off I'm going to ask counsel or representative of each
19 firm or agency who is here present to identify him or
20 herself, company or agency representative and his or
21 her mailing address, and may we start first with you,
22 Mr. Shaw, from U S WEST.

23 MR. SHAW: Thank you. U S WEST represented
24 by Ed Shaw. Madam Chairman, we would propose being
25 the code administrator that we would make a short

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1 your address?

2 MR. SNYDER: I'm sorry. My address is
3 1000 Second Avenue, Seattle, Washington 98104.

4 CHAIRMAN NELSON: Thank you.

5 MR. O'CONNELL: Madam Chairman, Tim
6 O'Connell on behalf of GTE Northwest. Address is
7 1800 41st Street, Everett, Washington 98201. We have
8 one witness here today, Mr. Terry Falls. He has
9 written testimony which I have submitted, and I see
10 that you're nodding, you have in front of you, and I
11 will have a short statement after Mr. Falls's
12 testimony.

13 CHAIRMAN NELSON: Thank you.

14 MR. FINNIGAN: Rick Finnigan with the firm
15 Vandeburg Johnson and Gandara, 1201 Pacific Avenue,
16 Suite 1900, Tacoma, Washington 98402. I'm appearing
17 on behalf of the Washington Independent Telephone
18 Association. What we would propose to do is to make a
19 statement of counsel on the position of the Washington
20 Independent Telephone Association and Mr. Vann is
21 available to respond to questions should those arise.

22 CHAIRMAN NELSON: Thank you, Mr. Finnigan.

23 MR. MacIVER: Madam Chairman, my name is
24 Clyde MacIver. I'm with the Miller Nash law firm. My
25 address is 4400 Two Union Square, 601 Union Street,

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1 Seattle, Washington 98101 and I'm representing today
2 MCI Metro, which the full name is MCI Metro ATS,
3 Inc., and they do not have a live witness here today
4 but ask that I submit a statement. We have submitted
5 a written letter to the Commission on this which I
6 filed this afternoon.

7 CHAIRMAN NELSON: Thank you. We received
8 it.

9 MR. KOPTA: Afternoon. My name is Greg
10 Kopta with the law firm of Davis Wright Tremaine, 2600
11 Century Square, 1501 Fourth Avenue, Seattle,
12 Washington 98101. I'm here representing TCG Seattle.
13 We do not have a witness here at this time but would
14 like to reserve the opportunity to comment through
15 counsel. Thank you.

16 MR. TROTTER: I'm Donald T. Trotter,
17 assistant attorney general for the public counsel
18 section of the attorney general's office. My address
19 is 900 Fourth Avenue, Suite 2000, Seattle, 98164.

20 CHAIRMAN NELSON: Thank you, Mr. Trotter.

21 MR. GOLTZ: My name is Jeff Goltz. I'm
22 also with the attorney general's office. I'm here on
23 behalf of the staff of the UTC, and we will have a
24 witness available if requested to give a staff
25 presentation.

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1 CHAIRMAN NELSON: I think we will so
2 request, Mr. Goltz. Thank you. I should also
3 identify to my extreme right is Robert Wallis, our
4 regulatory affairs acting administrator, and to my
5 extreme left is Steve Smith, also from the attorney
6 general's office who is advising the Commission on
7 this matter. And then I should ask my colleagues,
8 Commissioner Hemstad, Commissioner Gillis, if they
9 have any further opening remarks.

10 COMMISSIONER HEMSTAD: I have none.

11 COMMISSIONER GILLIS: I have none at this
12 time.

13 CHAIRMAN NELSON: Okay. Why don't we then,
14 Mr. Shaw, hear from you or Ms. Jensen as you like on
15 the notice we've issued and your position.

16 MS MEEHAN: You're going to have to go to
17 where the mikes are.

18 MR. SHAW: Madam Chairman, we don't propose
19 necessarily to put Ms. Jensen on in a Q and A format
20 unless the Commission wants to. Somewhat limited
21 time here to get into the details of what we the
22 company is working on along with the industry on
23 specific customer relief plans. The primary issue of
24 whether or not we should extend the permissive dialing
25 period I was just going to address primarily as

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1 remarks of counsel.

2 CHAIRMAN NELSON: Okay, very well.

3 Mr. Shaw, if you want to make a statement of counsel
4 first or put Ms. Jensen on first, we are interested in
5 both the company's position on the permissive dialing
6 period extension and on what the company intends to do
7 with respect to customer care.

8 MR. SHAW: I will just limit my remarks
9 then as to what I consider primarily legal issues, if
10 you will, and then call Ms. Jensen to the stand.

11 U S WEST as the code administrator is in
12 somewhat a unique position in this case, because as we
13 perceive it, and I believe as the Commission perceives
14 it, an order from the Commission if it would issue
15 would be directed to U S WEST and direct it to do
16 certain things. There are no other parties to this
17 proceeding at this juncture. In its role as code
18 administrator U S WEST is bound to administer the
19 assignment of NXXs in the state of Washington pursuant
20 to the guidelines which all of the carriers, both
21 regulated and unregulated by this Commission, support
22 and as such it cannot act unilaterally and agree to
23 voluntarily extend the permissive dialing period.
24 However, U S WEST is of the opinion and the legal view
25 that the Commission does have the jurisdiction to

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1 order U S WEST as the code administrator to delay the
2 permissive dialing period and if so ordered U S WEST
3 would not contest that jurisdiction. The Commission
4 will need to order U S WEST to do so because as the
5 code administrator U S WEST is bound if it is going to
6 take steps to change the permissive dialing period
7 previously agreed upon by the industry, both regulated
8 and unregulated, to convene another industry forum and
9 attempt to obtain consensus on that. That process if
10 undertaken would not allow the company as the code
11 administrator to make any changes. We do have to work
12 with BellCorp and get out to their subscription list
13 notification to all the carriers in the North American
14 numbering plan to make this happen, and we have been
15 advised by BellCorp, and we have no ability or reason
16 to second guess that advice, that they need every bit
17 of time that they can get and certainly they need a
18 month or they need notice from us this week in order
19 to do that as a practical problem.

20 As another consideration in that regard,
21 the more time they have to do that the more effective
22 that notice would be just as a practical matter. So
23 the position of U S WEST as the code administrator is
24 that the Commission would have to order it in order
25 for it to undertake that action. It just has no other

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1 choice. As U S WEST Communications our position is
2 that the permissive dialing period should not be
3 extended because of the pressure on numbers that we
4 have. At the same time, we are not representing that
5 we are running out of numbers and that a short delay
6 in the cutover would create any situation where an
7 individual customer could not get service, but we do
8 have a situation where individual offices have
9 exhausted and we cannot provide large blocks of
10 numbers to large business customers. Having said
11 that, we're concerned about a delay leading to further
12 delays and the economy of the state of Washington
13 coming to a crisis situation because of the exhaustive
14 numbers.

15 At this point I think that I would call Ms.
16 Jensen to the stand and have her testify briefly to
17 what we're trying to do. Whether or not the
18 Commission chooses to order us to extend the
19 permissive dialing plan these are actions that we
20 will be undertaking and have been undertaking whether
21 or not you choose to do that. So with that, unless
22 you would have any questions or comments to me about
23 the jurisdictional and/or legal issues, I would call
24 Ms. Jensen.

25 CHAIRMAN NELSON: I have a couple of

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1 questions or one at least. What does the company
2 consider a short delay?

3 MR. SHAW: No more than 90 days.

4 COMMISSIONER HEMSTAD: That was going to be
5 my question.

6 COMMISSIONER GILLIS: None for now.

7 CHAIRMAN NELSON: Why don't we go ahead and
8 call Ms. Jensen then.

9 Whereupon,

10 TERESA JENSEN,

11 having been first duly sworn, was called as a witness
12 herein and was examined and testified as follows:

13

14 DIRECT EXAMINATION

15 BY MR. SHAW:

16 Q. Ms. Jensen, for the record could you state
17 your name, employer and position.

18 A. My name is Theresa Jensen. I work for U S
19 WEST Communications, and I am the director of
20 Washington regulatory affairs.

21 Q. As such, are you familiar with the issues
22 revolving around the implementation of the 360 area
23 code and the undertakings of the company to administer
24 that implementation?

25 A. Yes.

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1 Q. Speaking first to the notice that U S WEST
2 as a code administrator would need to delay the
3 implementation of the cutover, what is your
4 understanding on the notice that BellCorp needs?

5 A. My understanding is that the notice that
6 BellCorp would need would be first that there would be
7 an order to do so and then that notice would need to
8 be sent to all parties, both nationally and
9 internationally, to insure that the mandatory cutover
10 was stopped, as well as to -- notification would also
11 need to be made to business customers to enable their
12 equipment to recognize that that cutover would not
13 occur.

14 Q. Would the instruction simply be not to
15 implement the end of permissive dialing?

16 A. Yes, that's my understanding.

17 Q. And if that notice is imperfect or does not
18 reach all affected parties, what will happen if a
19 company attempts to convert its switch or PBX to
20 recognize only 206 area code calls that are in the
21 greater Seattle area?

22 A. If a company were to execute the mandatory
23 dialing then a customer attempting to call the 360
24 customer utilizing a 206 code would receive an
25 announcement that that call could not be completed.

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1 Or they could possibly get a reorder tone depending
2 upon who their carrier is.

3 Q. You understand that BellCorp cannot
4 guarantee that it can achieve perfect notice?

5 A. Yes. My understanding is that BellCorp
6 will notify those carriers that subscribe to its
7 services.

8 Q. Moving to U S WEST Communications plans to
9 try to minimize the disruption to its primarily
10 business customers that will end up in the new 360
11 area code, can you outline for the Commission what we
12 have done to date and what our plans are for the
13 future?

14 A. Yes. U S WEST has done extensive
15 advertising and direct communication, direct mail
16 communication, as well as customer contact
17 communication with our customers. That increases as
18 we get closer to the end of the permissive dialing
19 period. Most recently in April we have sent both bill
20 inserts and direct letters to customers advising them
21 that we understand they are having some problems and
22 that we would have a number of business solutions that
23 we would like to discuss with them and also aid them
24 in a better understanding of what they might be
25 experiencing. We plan to continue to do that as well

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1 as paper, radio and TV advertising, and will continue
2 to take whatever steps are necessary to meet our
3 customers' needs.

4 CHAIRMAN NELSON: Letters to all business
5 customers?

6 THE WITNESS: We have done a mailing to all
7 business and residence customers and then an
8 additional specific letter to all business customers
9 that we think would be most interested in this issue,
10 specifically the type of businesses that deal with
11 perhaps marketing through catalogs or brochures or
12 advertisements.

13 Q. Is the company examining new or temporary
14 services that might be offered to customers that are
15 having problems with incoming calls whether or not the
16 Commission orders the permissive dialing to be
17 extended?

18 A. Yes.

19 Q. Could you just outline briefly what the
20 company is investigating in that area?

21 A. Company is looking at a variety of services
22 that are currently available to customers that would
23 enable a customer to have a 206 telephone number. The
24 customer would not be able to keep their same 206
25 telephone number if they were being converted to a 360

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1 area code. That is technically not possible.

2 However, if they have a need to receive calls to a 206

3 area, we have a variety of services that will enable

4 them to do that. Private line services, foreign

5 exchange services and call forwarding like services.

6 Also 800 numbers or other types of product options

7 might be of interest to them. We are looking at

8 waiving nonrecurring charges. We are looking at

9 discounting product offerings, and in essence we would

10 like to work with each of our customers and determine

11 what their specific need is and respond to that need.

12 Q. Has the company been able to quantify the
13 potential demand for such discounted services at this
14 point?

15 A. No.

16 Q. Does the company have concerns about the
17 structure of any such discounted service so that the
18 demand can be targeted at those that need the extra
19 help, if you will?

20 A. Yes.

21 Q. Does the offering of temporary discounted
22 or restructured services cause problems for the
23 company's automated systems?

24 A. Yes.

25 Q. Do we have to work through some problems in

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1 that regard?

2 A. Yes.

3 Q. Has the company met with at least the
4 independent telephone companies that provide service
5 in the new 360 area to talk about joint offerings of a
6 temporary nature?

7 A. Yes.

8 Q. At this stage, are there any details
9 available on exactly what those would look like?

10 A. Not at this time.

11 Q. How much time do you believe the company is
12 going to need to work out the details and publicize
13 such offers?

14 A. That is difficult to address at this point
15 in time. What the company would like to do is to have
16 the specifics available within a two-week period, if
17 not sooner. We are ready to step up and deal with
18 individual customers as we receive their calls and are
19 prepared to do that at this time. Our largest concern
20 at this point is without being able to size the
21 problem, there's only so much we can do manually to
22 assure that we don't create additional problems, and
23 if we're dealing with a small percentage of our
24 customers then we should be able to handle that fairly
25 quickly and easily, but we just can't determine that

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1 yet.

2 Q. If today a customer of one of our customers
3 attempts to call them using a 360 area code and it
4 doesn't go through on direct dialing and that customer
5 calls the operator and asks the operator to put the
6 call through, is there any charge for that operator
7 assistance today?

8 A. No, there is not.

9 Q. And the company is not proposing to
10 institute any such charge?

11 A. That's correct.

12 Q. Would the company be willing to publicize
13 that fact that there is no charge for operator
14 assistance if direct dial does not work because of an
15 area code problem?

16 A. Yes, and the company has done that.

17 MR. SHAW: Madam Chairman, I don't believe
18 I have any further questions. I tender the witness
19 for your questions.

20 CHAIRMAN NELSON: Thank you, Mr. Shaw. My
21 colleagues have questions? I have one.

22

23 EXAMINATION

24 BY CHAIRMAN NELSON:

25 Q. Ms. Jensen, thank you for that update and I

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1 think just what we had in mind is that to try to get
2 the interested local exchange companies to try to work
3 out a package or menu of potential offerings to
4 minimize disruption to customers and report back
5 within two weeks, so I am very glad to hear that. I'm
6 also concerned about the other side of the coin, and
7 that is the blocks of customers that may be
8 disadvantaged by not having new central office codes
9 in the 206 old -- in the 206 whatever it is -- the
10 metropolitan Puget Sound area. Do I understand then
11 that with a 90-day period that Mr. Shaw said was what
12 the company considers short now would not result in a
13 major disadvantage to any blocks of customers in the
14 remaining 206 Puget Sound metropolitan area?

15 A. That is a difficult question to answer,
16 Chairman Nelson. As best as we can tell we believe
17 that our customers will work with us. We have
18 identified four major customers that have needs for
19 immediate number relief. Two of those are a customer
20 that is opening a new business location, two new
21 business locations. Others are new business
22 operations that are part of a business. And they are
23 very concerned about any delay, and of course we're
24 concerned to work with them in whatever way we can.
25 It's unclear how long they can hold that off in terms

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1 they may not currently be using. If that is true,
2 what is the likelihood or prospect of any of those in
3 critical areas giving back --

4 A. That process as I understand has been
5 reviewed, and we have in fact asked customers with
6 large blocks of numbers that have reserved them for
7 periods of time if we could in fact get those numbers
8 back, and, I'm sorry, I'm not familiar with the
9 specific conclusions of that but I understand that all
10 of that work on an industry-wide basis has occurred in
11 terms of collecting numbers that are not in use. It
12 occurred sometime ago.

13 Q. So you believe that's already been done
14 so that that well of numbers is exhausted?

15 A. Yes. That's my understanding that where
16 customers could return numbers that has occurred.

17

18 EXAMINATION

19 BY COMMISSIONER GILLIS:

20 Q. In assessing the prudence of a delay in the
21 changeover, one of the things I've been real
22 frustrated with is getting good hard information on
23 the extent of the problem at the offices where we're
24 running close. Do you have any more data that you can
25 share with us at this point on numbers remaining,

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1 expected demand, the type of customers that would be
2 impacted at each of those offices?

3 A. Yes, I do. May I confer with my attorney
4 for a moment?

5 CHAIRMAN NELSON: Sure. We'll be off the
6 record.

7 (Discussion off the record.)

8 MR. SHAW: Madam Chairman, we do have a
9 printout by our office listing total spare, spare in
10 blocks, total numbers, average monthly growth, and
11 pending requests for additional NXXs by customers or
12 the company. We do consider this proprietary. We can
13 of course make it available to the Commission, and I
14 can hand the one copy up to the bench or make copies
15 and file it as a confidential exhibit. Whatever you
16 wish.

17 CHAIRMAN NELSON: Commissioner.

18 COMMISSIONER GILLIS: I would find that
19 information helpful.

20 MR. SHAW: Would you like to see it
21 immediately or --

22 COMMISSIONER GILLIS: I don't know that I
23 would need to see it immediately but we would like to
24 see it by the end of the day.

25 THE WITNESS: Our concern of course is that

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1 we may be unique in our position within our service
2 area on these numbers.

3 COMMISSIONER GILLIS: Thank you.

4 CHAIRMAN NELSON: Mr. Wallis.

5

6 EXAMINATION

7 BY MR. WALLIS:

8 Q. Ms. Jensen, you indicated that BellCorp
9 cannot achieve perfect notice. Can you quantify for
10 us in some way the extent of the notice that could be
11 provided?

12 A. Yes. As I understand it, BellCorp as the
13 number administrator function has a subscribership of
14 carriers that it works with on these types of issues,
15 and there are individual members that take additional
16 or specific areas of responsibility such as
17 international issues on behalf of BellCorp because
18 BellCorp is primarily an intraLATA service provider
19 per se, so there are other entities that are involved
20 in international calling activity and national
21 standards committees and so forth. There's no
22 guarantee that every switch, be it private or public
23 or carrier owned, would necessarily receive the
24 notice, would respond to the notice, would choose to
25 comply with the notice. I mean, we just can't control

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1 it. All we can do through the BellCorp organization
2 is notify of this requirement.

3 CHAIRMAN NELSON: Which is what's happened
4 already?

5 THE WITNESS: That's correct.

6 CHAIRMAN NELSON: That's the thing that
7 brought us here. Anything else for this witness?

8 Thank you, Ms. Jensen. You may step down
9 and we may, if you can stay around, we may recall you
10 if there's any further questions.

11 THE WITNESS: Thank you.

12 CHAIRMAN NELSON: Thank you, Mr. Shaw.
13 Does that complete the company's presentation right
14 now?

15 MR. SHAW: I would like to make a statement
16 on behalf of another U S WEST entity, our cellular
17 operation. As the Commission knows U S WEST Inc. owns
18 U S WEST Communications and U S WEST Cellular. U S
19 WEST Cellular has a large number of users in the
20 greater Puget Sound area and has need for numbers and
21 have been asked to communicate to the Commission the
22 fact that they can only tolerate a short delay, and 90
23 days would be the outside that they could tolerate.
24 As the Commission knows, cellular, uniquely, is
25 growing at up to 60 percent a year in our state and

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1 the number exhaust issue is very key for them. I
2 believe that General has testimony about one of their
3 cellulars, and perhaps Mr. Baker can elaborate on it
4 on behalf of McCaw Cellular, but I did want to get on
5 the record that U S WEST subsidiary has a very deep
6 concern about an untoward delay in the cutover to the
7 360. Mr. Joe O'Neill, vice-president of our cellular
8 company, is here today and is available to make a
9 statement if you need a statement.

10 CHAIRMAN NELSON: Do you want to hear from
11 U S WEST Cellular or just take representation of
12 counsel?

13 We'll just take your representation right
14 now. I am glad to hear the cellular company has not
15 made themselves obvious to now, and I did note that
16 GTE's witness does have something to say about McCaw,
17 so definitely people are consuming numbers, so thank
18 you, Mr. Shaw.

19 MR. SHAW: That's all I have.

20 CHAIRMAN NELSON: Why don't we hear from
21 Mr. O'Connell. Do you want to present Mr. Falls or
22 how do you want to proceed now?

23 MR. O'CONNELL: Madam Chairman. Mr.
24 Falls's testimony is in written form. Do you need
25 anything more than that or do you have some questions

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1 for that?

2 CHAIRMAN NELSON: GTE has provided Mr.
3 Falls's testimony in normal adjudication style in
4 Q and A, and it indicates from both GTE's point of
5 view Microsoft is in its service territory and will
6 soon exhaust its existing supply of numbers and McCaw
7 Communications has already exhausted its existing
8 number supply disconnecting second lines and so on,
9 which is what Mr. Falls says here which is of interest
10 to me. Do my colleagues want to ask Mr. Falls
11 questions about his testimony? Yes.

12 CHAIRMAN NELSON: Why don't we call Mr.
13 Falls, and we will note that the written testimony is
14 associated with this record and we don't need to
15 repeat any of it.

16 MR. O'CONNELL: Thank you.

17 Whereupon,

18 TERRY FALLS,
19 having been first duly sworn, was called as a witness
20 herein and was examined and testified as follows:

21

22 EXAMINATION

23 BY COMMISSIONER HEMSTAD:

24 Q. Mr. Falls, you heard the representation
25 from Mr. Shaw with respect to the -- what would be

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1 apparently from the perspective of U S WEST a workable
2 extension of the permissible dialing period of 90
3 days. Do you have any comment on that as it would
4 affect GTE's operations?

5 A. I would like to comment that, as I've
6 identified in my testimony, we have one local exchange
7 in Everett, Washington which is our Casino office,
8 which we had projected exhausting numbers sometime
9 later this year. We have obtained a new code that
10 would go into effect in June for relief there. We
11 also have concerns, as is in my testimony, for
12 Microsoft and for McCaw. Now, the numbers referenced
13 for McCaw Cellular is for their administrative office
14 within our serving area. It has nothing to do with
15 their cellular service. It's just for their
16 administrative purposes. We're concerned of course
17 about all our customers that are affected with this
18 360. It's an unfortunate situation, so I don't want
19 to overlook the smaller business customers that have
20 been affected as well as McCaw and Microsoft. Large
21 customers that buy blocks of numbers from us
22 administer their own numbering plan, and so it's
23 difficult for us to say or testify to the real impact
24 that it would have on them. We know obviously that
25 there's probably a significant impact to McCaw and the

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1 fact that they had to disconnect fax numbers and
2 modems to provide regular voice lines. Our sales
3 people will be working with those customers to
4 identify contingency plans if they're available or
5 work-arounds with them. On short notice we think both
6 of those customers could have some impact on the
7 delay.

8 Q. You think workable work-around solutions
9 can be developed?

10 A. Certainly I believe that work-arounds are
11 technically available and that there are some risk
12 taking. The penalty for most of those work-arounds I
13 believe would be administrative kind of things, extra
14 work in number assignment, record keeping, perhaps
15 having to go back after the fact and disconnect
16 numbers. In the case of our network in Casino those
17 typical work-arounds could be assigning reserve test
18 numbers to customers in order to make sure that they
19 have service or reducing the intercept time that was
20 suggested previously by U S WEST. Those kind of
21 work-arounds.

22 Q. In our public hearing, I believe, of a
23 couple of weeks ago the testimony was clear that
24 particularly small businesses currently receiving
25 service could be severely adversely affected with the

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1 mandatory cutover. Are you prepared to express an
2 opinion as the relative cost benefits between delaying
3 to provide a greater time period for those customers
4 to be able to deal with those problems as against the
5 impacts on your customer base where the numbers may be
6 exhausting?

7 A. My personal opinion is that I don't believe
8 a delay will be especially helpful to the small
9 business customer, and a lot of our contacts in trying
10 to help resolve the problems with our small customers
11 we found out that a lot of the PBX owners are aware
12 that this change is required. They've been aware of
13 it, but they understood that the 21st was their
14 deadline and so they've kind of procrastinated or put
15 it off. They fully intend to do it, they've just been
16 waiting on the 21st, so if that was true hopefully the
17 problem would be somewhat medicated the closer we get
18 to the date, but obviously there's tradeoffs on both
19 sides of this issue.

20 COMMISSIONER HEMSTAD: That's all I have.

21

22 EXAMINATION

23 BY COMMISSIONER GILLIS:

24 Q. Have your customer service department folks
25 been receiving calls from customers that are not

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1 getting through or their business associates are not
2 getting through on the new area code and if so how are
3 your folks responding to those questions?

4 A. Yes. We are receiving those calls and I
5 think our current volume is approximately 10 calls a
6 day. We have a consumer hot line that those calls are
7 referred to where we have people that are subject
8 matter experts in helping to resolve those problems.
9 We try to call our customers back within one or two
10 hours after we've had the initial call to let them
11 know what's going on. We try to work the problem
12 clear back to the PBX or a customer that hasn't
13 updated their PBX, so we try the best we can to
14 resolve it for the customer and keep them informed.
15 And we have several customers that we have scheduled
16 follow-up calls around May 1st to inform them of the
17 status of the situation and what's been done to
18 resolve it.

19 COMMISSIONER GILLIS: Thank you.

20

21 EXAMINATION

22 BY CHAIRMAN NELSON:

23 Q. Mr. Falls, could you live with a 90-day
24 delay and would the company agree to work in a
25 collaborative way to seek further other ways to

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1 minimize disruption to customers who perceive their
2 business as disrupted?

3 A. We would, I'm sure, be glad to work with
4 the industry and anything we can do to mitigate this
5 problem. I believe our position would be that we
6 would like to stick to the original date if possible.

7 CHAIRMAN NELSON: Very well. Thank you.
8 Anything else further?

9 Thank you, Mr. Falls. Mr. Finnigan for the
10 Washington Independent Telephone Association.

11 MR. O'CONNELL: Madam Chairman, I had just
12 a couple of comments to -- apologize about that.
13 Madam Chairman, just a couple of comments because I
14 wanted to emphasize what GTE has done to assist its
15 customers in facing this problem because it is a
16 problem that we care about on behalf of our customers.
17 First off, GTE has expended on a nationwide basis
18 somewhere in excess of \$2 million on advertising
19 charges and mailings to its business and residential
20 customers. That includes bill inserts, which have
21 been sent to customers here in the Washington area,
22 specifically alerting them to this problem. We had a
23 bill insert that went out earlier this year, "business
24 alert. Be sure your business telephone system is
25 programmed to recognize this new style area code.

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1 Tell your out of state customers and suppliers to do
2 the same thing."

3 We have tried to work with our customers
4 when these problems have occurred. I believe in the
5 public fact finding that was conducted two weeks ago,
6 the Commission heard from only one GTE customer, Mr.
7 Conrad Sprout. You may recall he was the customer
8 down in the Camas/Washougal area. Mr. Sprout was not
9 happy about the situation, and we fully recognize
10 that, but I think what Mr. Sprout's story had to say
11 was that GTE was providing him excellent customer
12 service. When he had a problem he reported it to GTE
13 and in every instance the GTE customer representative
14 took the next step to follow through to find out what
15 the problem was. Our customer representative in fact
16 ended up going beyond BellCorp to contact the
17 international carrier to help identify what the nature
18 of this customer's problem was. And we are taking a
19 very proactive stance on all of those issues.

20 The company is concerned, however, about
21 suggestions that some of the fixes be offered on a
22 going forward basis perhaps for a long period of time
23 without an identification of the costs that are
24 associated with providing those figures. We simply
25 have not had the opportunity to estimate what that

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1 cost would be, and we would argue quite strenuously
2 that that is not a cost we feel should appropriately
3 be imposed upon the local telephone company.

4 CHAIRMAN NELSON: Thanks, Mr. O'Connell. I
5 think some of your customers, however, would argue
6 also that costs are being imposed on them that are not
7 of any of their own making and we're not seeking to
8 visit costs on the company. We're seeking to find
9 solutions for customers' problems.

10 MR. O'CONNELL: And I think Mr. Falls
11 indicated quite adequately that we are eager to work
12 with the industry to find a solution to this problem.

13 CHAIRMAN NELSON: Thank you. We found that
14 -- our staff spokesperson spoke to and, yes, we've
15 isolated the source of his problem. In the course of
16 these investigations we find still other glitches
17 including companies finding and reporting glitches
18 even in their own systems that are quite aware of this
19 360 issue here. So, the trouble with this area is
20 that you don't know who is affected until either the
21 end of the permissive dialing or as people find out
22 anecdotally that they've been affected, so I think at
23 this point we're rather convinced that a little more
24 time is going to help.

25 Anything else?

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1 Very well. Hurrying right along, I hope,
2 Washington Independent Telephone Association. Mr.
3 Finnigan.

4 MR. FINNIGAN: Thank you. In light of the
5 way the proceeding has gone we're going to change our
6 manner of presentation and we'll call Mr. Vann.

7 Whereupon,

8 TERRY VANN,
9 having been first duly sworn, was called as a witness
10 herein and was examined and testified as follows:

11

12 DIRECT EXAMINATION

13 BY MR. FINNIGAN:

14 Q. Mr. Vann, would you please state your name
15 and give your business address for the record?

16 A. My name is Terry Vann. I'm the executive
17 vice-president for the Washington Independent
18 Telephone Association, 2405 Evergreen Park Drive,
19 Olympia, Washington.

20 Q. Are you familiar with the issues that
21 surround the mandatory conversion to the 360 area
22 code?

23 A. Yes, I am.

24 Q. And would you please tell us what the
25 position of the Washington Independent Telephone

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1 Association is on the extension of the permissive
2 dialing period?

3 A. It's become apparent to us that our
4 customers have a genuine problem. We support a 90-day
5 delay. We looked at something shorter but concluded
6 that it would take time to develop and inform
7 customers about the issues about solutions. We were
8 told that the minimum amount of time that would take
9 to renotify would be 30 days about the extension, so
10 we don't think a shorter time frame than 90 days is
11 viable, and we think that for the industry to get
12 together and work on the solutions as a group so that
13 we can work with the customers on some of these
14 specific problems it will take a longer period of
15 time.

16 Q. Would you please describe for the
17 Commission some of the ideas that would be explored in
18 trying to find solutions for customers?

19 A. There are two major things that we have
20 discussed within our organization. One is some
21 customer product options that both GTE and U S WEST
22 have mentioned, the various call forwarding options,
23 800 service. We understand that there are some
24 programs there that might be available to help, voice
25 mailbox where customers outside of the territory could

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1 call in when they're having problems, the customer
2 could call that number and then get those messages and
3 then relay information onto a company number where
4 they could get some assistance.

5 What we want to look at is some pricing
6 discounts, some waivers from our current tariff
7 charges with consideration of both what the customer
8 and what the company can afford because there is a
9 cost to both of them. The other area is in the
10 advertising area, we think that we need to recontact
11 our vendors and manufacturers, maybe there are
12 solutions they can help us with in the PBX arena,
13 maybe there are things that we can do to assist them
14 with legislation for tax credits or some sort of
15 program there that would help in that area.
16 We think that there is a national issue. There are
17 more cutovers coming. We just happen to be among the
18 first, so we think that as we make the nation aware of
19 what is occurring more PBX owners might be stepping up
20 to finding solutions to the problems.

21 One of the things that we're hearing back
22 from our customers is that PBX owners are saying I
23 really don't need to call Western Washington, so I'm
24 not going to spend the money to correct the situation.
25 Well, as more and more cutovers are occurring when

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1 Houston, Los Angeles, Chicago, when those metropolitan
2 areas cut over then I think we'll see more of the PBX
3 owners stepping up to the issue. So we think letting
4 them know early, conducting a national campaign about
5 that will assist, and then of course a local campaign
6 to not only remind customers that the 360 change is
7 coming about but to also give them points of contact
8 where they can find solutions to remind them that we
9 are there to help them with their specific concerns.

10 I think the one thing that we came up with
11 in our discussions was that there is no one solution.
12 If there was one solution we would come forward and
13 say, hey, this is it, let's do it. What we're finding
14 is that there are some things that work for some
15 customers so what we're going to have to end up doing
16 is work with each individual customer who comes
17 forward with their problems and find a solution that
18 works for them, and I wish it were easier than that
19 but that's where it's going to end up is working with
20 the individual customers on specific solutions.

21 MR. FINNIGAN: Mr. Vann is available for
22 questions.

23 CHAIRMAN NELSON: Mr. Vann, thank you for
24 that upbeat and can do attitude. It's refreshing to
25 hear.

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1 COMMISSIONER HEMSTAD: Absent that
2 statement, I don't have any additional questions.

3 COMMISSIONER GILLIS: I concur. Excellent.

4 CHAIRMAN NELSON: So your company --
5 And how many of them are there?

6 THE WITNESS: There are 21 including GTE.

7 CHAIRMAN NELSON: -- would stand ready in
8 the next couple of weeks to work really hard with U S
9 WEST, the numbering plan administrator, to come up
10 with a menu of -- as you say, one size won't fit all
11 but a variety of solutions that might be available for
12 customer care?

13 THE WITNESS: Yes.

14 CHAIRMAN NELSON: Thank you.

15 MR. FINNIGAN: That completes our
16 presentation.

17 CHAIRMAN NELSON: Thank you. If we quickly
18 then could go through the other counsel table. Does
19 anyone have -- Mr. Snyder, do you have anything you
20 quickly want to say?

21 MR. SNYDER: Yes. I have one item I wanted
22 to note for Whidbey Telephone Company. We are
23 supportive of the 90-day extension. We would have
24 recommended an even longer one if it were possible.
25 We recognize for Whidbey that is a double-edged sword

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1 and we wanted the Commission to be aware that we do
2 have one NXX code prefix that has been assigned to
3 Whidbey, the implementation of which has to await the
4 implementation of the area code split, and that is the
5 NXX that has been assigned for the purposes of
6 facilitating service in the supplemental service area
7 in which Whidbey Telephone Company has recently been
8 authorized by the Commission to provide service. Our
9 balance on that is that the public interest is best
10 served by the delay notwithstanding that problem.

11 CHAIRMAN NELSON: Very well, thank you.
12 Mr. MacIver.

13 MR. MacIVER: Thank you, Madam Chairman.
14 MCI Metro did not have time to have someone here today
15 but asked that I make a comment. I distributed a
16 letter to you.

17 CHAIRMAN NELSON: Yes, we have it.

18 MR. MacIVER: I don't know what benefit is
19 going to be achieved by a short extension. I
20 certainly don't believe it's going to change the
21 conversion of the PBXs one way or the other. I think
22 they're either going to do it or not going to do it
23 and they're going to do it at their own schedule, but
24 if an extension is granted, which we would rather not
25 see, but we also are sensitive to the needs of the

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1 customers and the inconvenience this is causing, but
2 we would like for the Commission to seriously consider
3 if there's a way in your order extending the time for
4 the conversion to protect those companies who wish to
5 provide local service such as MCI Metro commencing in
6 the fall.

7 Now, it is our understanding that the
8 industry standard is for 120 days notice for
9 assignment of these NXX codes. I don't know whether
10 there's any magic to that number or whether that
11 number can be shortened. I don't know whether they
12 need 120 days plus two weeks, which is the industry
13 standard, but if this time is not shortened it is
14 going to delay commencement of service in the fall by
15 MCI Metro and others who may wish to provide service
16 to customers and have their numbers for customers to
17 have, so it will be our request that the Commission
18 would seriously consider shortening the time for
19 assignment of NXX codes if they delay this
20 implementation, and again, I wish I could tell you I
21 knew that that's doable. I don't. But there's time
22 -- you need time to test these new numbers. You can't
23 test until the 360 becomes mandatory because you can't
24 test a number that is in use under the 206 area code.
25 So, you know, if there's any way to protect from harm

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1 these other companies that are anxious to provide
2 service to the public we would very much appreciate
3 you exploring that and shortening the time for
4 assignment of these codes if you do extend. MCI Metro
5 had hoped to commence service by October 15 and they
6 very much are trying to keep to that date and they are
7 investing money in a switch and need these NXX code
8 assignments to start service by then. In counting
9 backwards from the 15th to now you can barely make it
10 with this 120-day parameter but if it was shortened,
11 if you want to shorten it by 90 days or 60 days it
12 would be greatly appreciated and probably doable by
13 the company.

14 MR. SHAW: Could we briefly respond to
15 that, Madam Chairman?

16 CHAIRMAN NELSON: Let me get through all
17 the counsel statements, Mr. Shaw. We've got customers
18 sitting behind you and, Mr. MacIver, existing
19 customers are already complaining. I'm going to worry
20 about future customers of yours but right now I'm
21 worried about existing customers of existing
22 companies. And so if there's time, Mr. Shaw. Mr.
23 Kopta.

24 MR. KOPTA: Yes, thank you, Madam Chairman.
25 Just very briefly. TCG is an existing code holder and

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1 is providing local exchange service in the Seattle
2 area, and our concern here is that whatever means are
3 taken to be able to extend the permissive dialing
4 period another 90 days will not adversely affect our
5 ability to provide service to our customers, i.e., we
6 have a code that has been assigned to us that is
7 supposed to be turned up in the beginning of June. I
8 didn't hear anything from either Mr. Shaw or Ms.
9 Jensen about any take back of assigned codes, and that
10 was principally what our concern was, and of course we
11 would be more than willing to work with U S WEST and
12 other existing carriers to try and make sure that
13 everything was done to provide service to all
14 customers in the areas that we serve, and as long as
15 all carriers are treated equally and are in the same
16 boat and are not made to disproportionately feel the
17 impacts of the delay, then TCG would not have any
18 opposition to the delay in the permissive dialing
19 period.

20 CHAIRMAN NELSON: Thank you. Before we get
21 to the statutory parties, I see that Mr. Ross Baker
22 from McCaw Cellular AT&T Wireless is in the room. Did
23 he wish to make a statement since McCaw is a carrier?

24 MR. BAKER: I would like to make a brief
25 statement.

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1 CHAIRMAN NELSON: Yes, sir.

2 MR. BAKER: McCaw and AT&T Wireless
3 Services in response to the issue at hand, we've done
4 a great deal of research and we would find that a
5 90-day extension will negatively impact our customer
6 base. It will -- a 90-day extension would result in a
7 delay in the issuance of numbers to our incoming
8 customers as well as require some changes to our
9 switch in the Seattle area switch and Spokane, our
10 upcoming switch in Tacoma as well as our switches
11 around the country. A 30-day extension would be very
12 workable, a 60-day extension is workable, a 90-day
13 would, however, affect the consumers of the state of
14 Washington, at least in wireless consumers. Anything
15 beyond 90 days we would be very hurt. It would
16 greatly impact our operations. That's the short and
17 sweet of it, I guess.

18 CHAIRMAN NELSON: And that's just because
19 of the rapidity with which you're growing.

20 MR. BAKER: That's right. The 30 percent
21 per annum growth that we've experienced over the last
22 two years continues unabated at this time. We had, as
23 I believe the Commission is aware, we had done all our
24 planning based on the mandatory cutover in May and had
25 already done projections and plans for the reuse --

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1 for the use of the 360 prefixes in the 206 area, and
2 we will have to go back to the drawing board and delay
3 implementation of phones and some coverage area with
4 the delay, especially a delay of more than 60 days.

5 CHAIRMAN NELSON: Questions here?

6 Thank you, sir. Mr. Trotter.

7 MR. TROTTER: Thank you. We support the
8 90-day extension. We participated in the meetings
9 that occurred late last summer and early fall when
10 this problem first arose, and it was pretty clear to
11 us that the companies have been doing or have been
12 taking efforts to implement the change and try to
13 solve problems but those efforts have not been as
14 successful as they needed to be, and so we think the
15 90-day extension will allow for additional efforts to
16 try and be more successful, so we support what seems
17 to be a growing consensus regarding the 90 days.

18 CHAIRMAN NELSON: Finally, as I said, our
19 staff would make comments and recommendations. Are
20 you ready?

21 MR. GOLTZ: We could do that now or might
22 be better to wait until after -- if there's any other
23 comments by anyone else or is this -- are we coming to
24 a close here?

25 CHAIRMAN NELSON: Well, Mr. Shaw wanted to

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1 rebut something -- say something about something Mr.
2 MacIver says. Do you want to hear what that was?

3 MR. GOLTZ: Yes.

4 MR. SHAW: Two statements. The statement
5 in regard to MCI Metro, again, the Commission has
6 jurisdiction over us and can order us to do many
7 things, but the Commission cannot order changes, I
8 don't think, in the code assignment procedures and
9 it's standard that it takes 120 days. We're not
10 talking about just Western Washington. We're talking
11 about North America, and to shorten up the periods of
12 when we can activate codes after the permissive
13 dialing period ends is just impossible, and I urge the
14 Commission not to pursue that.

15 As a matter of information to TCG, I
16 presume that TCG was talking about the code that it
17 has now and has customers on and is working and of
18 course that would not be taken back, but if TCG
19 believes that the code that they're going to get in
20 June, 206-674 is available if permissive dialing is
21 extended, that is a mistaken belief. This is a code
22 that cannot be assigned until we're into mandatory
23 dialing.

24 CHAIRMAN NELSON: Thank you for that
25 information. I found during this period, talked to

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1 staff at the FCC and everyone is sort of rapidly
2 waking up to this numbering problem. It is a North
3 American problem. That's for sure, and the FCC has
4 been -- well, as we've seen since we've been here
5 April 12 BellCorp has been put up for sale and the FCC
6 is trying to examine and Congress is trying to examine
7 how numbers are administered, but thank you for that
8 caution on the current arrangements that control
9 number administration in the country. Now, Mr. Goltz,
10 you want to present Ms. Thomas.

11 Whereupon,

12 CATHERINE THOMAS,
13 having been first duly sworn, was called as a witness
14 herein and was examined and testified as follows:

15

16 DIRECT EXAMINATION

17 BY MR. GOLTZ:

18 Q. Will you state your name your name, please.

19 A. Catherine L. Thomas.

20 Q. What is your position?

21 A. I'm the assistant director for
22 telecommunications at the Washington Utilities and
23 Transportation Commission.

24 Q. And are you familiar with the issues
25 surrounding the transition to the 360 area code in

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1 Western Washington?

2 A. I believe so.

3 Q. And have you researched those issues?

4 A. Yes, sir.

5 Q. And what have you done to research these
6 issues?

7 A. Beginning with attending the industry
8 consensus meetings at which it was -- which were
9 carried out through the fall of last year, staff has
10 participated to the extent possible in the
11 determination of how this area code split would occur.
12 Since that time of course the Commission has received
13 numerous indications from customers that there were
14 unique problems associated with the adoption of this
15 new type of area code. As a result, the Commission
16 convened a hearing two weeks ago that has been
17 discussed before.

18 As a result of the testimony received
19 during that hearing, staff initiated a significant
20 level of pursuit of the kinds of problems that were
21 indicated by customers during that hearing. As part
22 of our pursuit of those problems, we have contacted
23 numerous individuals at BellCorp, United States
24 Telephone Association, the National Exchange Carriers
25 Association. We have had discussions with various

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1 officials in the governor's office. Have discussed
2 even with certain international telephone companies
3 these problems and obtained what I think is a fairly
4 high level of understanding of where in fact the
5 problems are occurring and why they're occurring.
6 Most of -- and I can state this fairly categorically
7 -- most of the problems associated with international
8 calling are unique circumstances. It is our
9 understanding based upon BellCorp information that
10 international calling and use of international PBXs
11 should not be resulting in dropped calls or calls
12 unable to get through to area code 360. That's
13 because international calls the first five digits only
14 are read, which indicate one, this is an international
15 call; and two, it's going to this country, and those
16 calls should be immediately handed off by any properly
17 programmed PBX overseas or properly programmed switch
18 in international networks should be immediately handed
19 off to the international carrier carrying calls
20 between two countries. It is only the local PBXs in
21 this country and Canada, is my understanding, and
22 potentially Mexico, that need to be reprogrammed in
23 many cases in order to be able to reach area code 360.
24 Our investigations have resulted in several
25 switches being properly converted in the last two

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1 weeks in what I would call ancillary systems, not the
2 main networks, in certain foreign switches having to
3 be reprogrammed because of information that we
4 gathered. We continue to see that it is possible that
5 improvements will gradually be made but will need to
6 be made in order for all calls to be properly
7 completed to area code 360. It's not solely a PBX
8 problem, although it is largely such.

9 Q. Have you made any other determinations as a
10 result of your research about what the nature of the
11 problem is?

12 A. We believe very strongly that it's going to
13 take time for companies to convene and to cooperate in
14 pulling together programs that will help customers in
15 area code 360 continue to receive phone calls during
16 what is obviously a very difficult period for them.
17 We believe that there needs to be a three-part, if you
18 will, program established. We strongly recommend the
19 Commission consider a delay in the permissive dialing
20 period. And from somewhere between, it appears to us,
21 60 to 90 days is appropriate. That the industry needs
22 to move quickly at the beginning of that period to
23 develop customer help programs and to communicate
24 those programs and to do so with a very hands-on and
25 positive attitude.

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1 Finally, we believe that the companies must
2 engage not only within the state but nationally and
3 internationally as well to notify customers that if
4 they cannot reach area code 360 they can get around
5 this problem if it's a PBX problem or a switch problem
6 by reaching an operator and asking to be connected.
7 This is something that the industry has not dwelt on
8 in any of its advertising, and I believe that it is
9 vital for the survival of many businesses in area code
10 360 for that information to be distributed as widely
11 as possible. To that end, we have asked for the
12 assistance of the USTA and NECA, which are the two
13 organizations I mentioned before, to distribute
14 advertising to their membership that tells that
15 membership that this must be done through their
16 companies to assist the problem, and we welcome any
17 assistance from any other organizations or bodies to
18 get that word out.

19 I would also point out that a delay in the
20 permissive dialing period does not require notice to
21 international carriers. That's a nice touch but it's
22 not required. The delay in the permissive dialing
23 period is associated strictly with the North American
24 plan.

25 Q. Do you have any other -- does that conclude

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1 -- does that summarize your recommendations?

2 A. Well, I do have one recommendation I would
3 like to address in a matter that came up today with
4 regard to MCI Metro's request. I note that during the
5 industry meetings in which it was being considered as
6 to what the end of permissive dialing period should be
7 that there were parties, including cellulars and pager
8 companies, who were concerned about the period of time
9 between the end of the permissive dialing period and
10 when new central office codes might be turned up that
11 would be available to them. They asked the North
12 American numbering plan administrator for this region,
13 Mr. Jack Ott, whether codes could be turned up more
14 quickly than the industry standard and he said that
15 they could if there was an extraordinary circumstance.
16 It's our belief that the conditions in this particular
17 area code warrant such extraordinary treatment.

18 Q. Do you have anything else to add?

19 A. No. I'm available for questions.

20

21 EXAMINATION

22 BY CHAIRMAN NELSON:

23 Q. Well, what's your final recommendation on
24 the length of time?

25 A. Madam Chairman, this is a difficult

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1 question. I believe that at a minimum it should be 60
2 days. I believe that staff very strongly has a
3 commitment to the advance of competition in this
4 state. I believe that the industry should be required
5 to engage with all deliberate speed, in fact perhaps
6 more quickly than that even, in answering and
7 addressing the needs of customers. If it were not for
8 the fact that some companies such as cellular and new
9 entrants would be disadvantaged by a longer delay, I
10 would probably recommend a 90-day period of time, but
11 at this point I think 60 days is probably adequate to
12 move forward, and to address the customers' problems
13 and to give them the opportunity to get notice out
14 about the new numbers that might be available to them
15 through these options. As you may recall, we have at
16 least three weeks before the end of the current
17 permissive dialing period. A 60-day extension is a
18 window of almost 90 days from today.

19 CHAIRMAN NELSON: Other questions?

20 COMMISSIONER HEMSTAD: I don't have any.

21 COMMISSIONER GILLIS: No questions.

22 CHAIRMAN NELSON: I see about seven names
23 of people here who wanted to testify some of whom have
24 already done so. Is it your pleasure that I call them
25 and then maybe we can take this under advisement, come

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1 back and announce a decision. Would that be all
2 right?

3 MR. WALLIS: Sure.

4 CHAIRMAN NELSON: Terry McNabb. We have a
5 letter from you. Do you want to add anything to your
6 letter?

7 MR McNABB: Just that I strongly support
8 the 90-day extension.

9 CHAIRMAN NELSON: Thank you, sir. Tim
10 O'Connell.

11 MR. O'CONNELL: You've already heard from
12 me.

13 CHAIRMAN NELSON: Pat Boyer.

14 MR BOYER: I have a couple of comments I
15 wouldn't mind making.

16 CHAIRMAN NELSON: You want to be sworn to
17 do it? You were here before.

18 MR BOYER: Yes, I was.

19 CHAIRMAN NELSON: Come on up, then.

20 Whereupon,

21 PAT BOYER,

22 having been first duly sworn, was called as a witness
23 herein and was examined and testified as follows:

24

25

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1 EXAMINATION

2 BY CHAIRMAN NELSON:

3 Q. We do have your name and your address so go
4 ahead, Mr. Boyer, and give us your views.

5 A. I own an electronic distributorship down in
6 Vancouver. What we have found on the 360 is that it
7 works about 60 to 70 percent of the time. When it
8 doesn't work is 40 to 25 percent. It also is not
9 strictly a PBX problem because faxes don't work. So
10 it means switches have now been switched over, and I
11 don't think the 360 will be a universal working area
12 code until the big cities are converted. 90 days will
13 not buy us that much; not until you get the major
14 cities switched over will it really help us. When
15 they are switched over then the PBXs and everything
16 will start working.

17 Also, is it really the business community's
18 job to inform the companies across the nation that
19 their phone system is inadequate, and that's what it
20 seems like is being put upon us. It is inadequate for
21 the area codes that are coming out. Also in talking
22 to U S WEST there is some other alternatives I would
23 like to present, anyway. Is that we could selectively
24 transfer the COC's. Right now it's going to go over
25 as a block at whatever date you say. We could take

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1 some of the smaller town COC's and move them into
2 the Seattle area and leave some of the major cities
3 that are left in this state as far as Olympia and
4 Vancouver that have businesses existing in them alone
5 for a longer period of time. That technology per Jack
6 Ott at U S WEST is available.

7 Another one, a comment that was made at the
8 last meeting was that the FCC stepped in and prevented
9 Chicago from going with an overlay system, which
10 Houston went to and Dallas is going to go to, okay.
11 The reason why Chicago was prevented is because they
12 were only -- per what I understand Ameritech was only
13 going to give that new area code to the other
14 carriers.

15 Q. It was going to give it to the wireless
16 carriers?

17 A. Discriminating.

18 Q. Right.

19 A. Whereas if they would just make it across
20 the board to the new accounts it would not be as
21 discriminating and would be as workable for us right
22 now as well as everybody in the area.

23 Q. But I'm told that you don't have any --
24 E911 gets all screwed up because you don't have any
25 geographical identification.

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1 A. Also in talking to other customers that
2 got a legitimate area code like Pennsylvania in last
3 year, that had a year grace period they still had
4 problems after a year and they had a regular area
5 code.

6 When we talk about notifying the phone
7 companies and things like that, when you put something
8 in a bill insert that goes into an accounting clerk
9 which goes in the trash. It doesn't really go to the
10 people that make a decision. You see all kind of
11 advertisements and bill inserts and I think we all
12 throw those away, and also was mentioned that there
13 was notification through the Wall Street Journal,
14 through newspapers, and, you know, but shouldn't it be
15 somebody's job? We've got like 40,000 switches in the
16 United States and Canada. Shouldn't it be somebody's
17 job to check those switches to check and make sure at
18 least the 360 switches at least let alone the PBXs.
19 Everybody just giving a piece of paper saying notify
20 you're supposed to change the switch but nobody is
21 checking it, okay. That's about it.

22 CHAIRMAN NELSON: Thanks, Mr. Boyer. I
23 think all of those suggestions have been discussed and
24 thought about and they're going to be discussed and
25 thought about some more. Thank you.

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1 Ms. Lydia Garrett, you were here before.

2 Did you want to add anything?

3 MS GARRETT: Two things I addressed. One,
4 the international problem. That seems to be getting a
5 lot better. People seem to get through. And San
6 Francisco just a little city in this country, some
7 people as of yesterday still didn't get through. All
8 they get is a recorded message of you must dial a one,
9 they dial a one, you must dial a one. This is the
10 Swiss air office in San Francisco. They have not been
11 able to get through to me unless I call them.

12 CHAIRMAN NELSON: Would you please let U S
13 WEST 800 number know about that, too.

14 MS GARRETT: We did. We have done that.
15 The other thing I want to say, I was really pleased to
16 hear from GTE how they deal with their customers. We
17 had not received that kind of treatment from U S WEST.
18 Still do not. We have never been contacted. We were
19 probably -- we were told we were the first one who had
20 such a problem. It would be nice to at least be
21 recognized.

22 CHAIRMAN NELSON: Chris Crowley.

23 MR. CROWLEY: Can I stand here?

24 CHAIRMAN NELSON: Unless you have a lengthy
25 statement. Again the reporter is trying to get --

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1 having been first duly sworn, was called as a witness
2 herein and was examined and testified as follows:

3

4

EXAMINATION

5 BY CHAIRMAN NELSON:

6 Q. Gary Bullock?

7 A. That's right.

8 Q. We have your name and address.

9 A. I am president of Custom Security Systems
10 and immediate past president of Washington Fire Alarm
11 Association. Immediate past secretary of the National
12 Burglary and Fire Alarm Association, and we have
13 several concerns as a company personally because we
14 are located in 360. This is our corporate
15 headquarters here in Olympia, and the input that we've
16 had from other members in our association and other
17 alarm companies in our industry, one of the things
18 that I've heard a lot about today are the problems
19 with voice lines which are true, and we are
20 experiencing those like everybody else is, and the
21 marketing expenditures and all of those things, but
22 one of the things we have not heard much about today
23 at all is the life safety issues that are being raised
24 right now with the change that is happening too
25 quickly. I'm frustrated that the change wasn't

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1 discussed two years ago, and that we weren't given
2 plenty of time to make conversions. Most life safety
3 systems, be it fire alarm systems, hold-up systems in
4 facilities such as grocery stores, banks, et cetera,
5 that folks rely on for life safety and emergency
6 response, most of those systems today are using direct
7 dial types of services versus the dedicated lines we
8 all used to use years ago.

9 In an effort to be competitive many of
10 those companies have utilized long distance dialing
11 from those customers' premises in their electronic
12 equipment versus 800 circuits. If you're using an 800
13 circuit this problem doesn't impact you very much.
14 But if you're using a long distance dial you've got
15 modem-type equipment attached to those alarm systems
16 that when there's an activation needs to dial out to
17 those companies. Those companies whose locations are
18 in 360, the receiving dispatch center, that would then
19 dispatch the appropriate authority to respond to the
20 need. Those companies whose customers are dialing a
21 206 currently and would then need to dial a 360 have
22 to have all of those customers systems reprogrammed.
23 That requires in a majority of the cases a technician,
24 qualified technician, to respond to that customer's
25 location and reprogram the system with a new telephone

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1 number. So it doesn't help us to give us a temporary
2 number. What counts is that we have to change the
3 number, and we need time to do that. That's our
4 greatest concern is that -- 90 days is terrific. We
5 would love to have 90 days. We don't think it's
6 enough. We're afraid it's not enough.

7 Many companies in our position, personally
8 we used 800 numbers, so we're not going to be
9 personally impacted as much as many of the companies
10 that I'm aware of. Those companies didn't see in
11 their crystal ball 20 years ago when they began
12 hooking up customers that they may have this problem
13 facing them today, and they had two or three numbers
14 pointing at the same line, and they don't know whether
15 the customer's equipment is currently using the 800
16 number that points to that local line or if they're
17 dialing the local number, so they can't even easily
18 identify which customers have the new program, they
19 have to go check them all. And so we're very
20 concerned about the length of time and it needs to be
21 extended.

22 The other concern is the same as been
23 voiced here with other folks with the PBXs use issues.
24 We got caught in that our PBX five year-old system
25 provided by a major manufacturer in this country does

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1 not support the dialing. We just spent \$80,000 on a
2 new switch. We're a little company. We've got 100
3 employees. \$80,000 and we didn't have a choice. The
4 manufacturer said they will not support the new plan,
5 buy a new switch. We didn't buy it from them. But
6 \$80,000 is significant. We're a small company. We
7 would like some consideration.

8 CHAIRMAN NELSON: Thank you very much for
9 your testimony. Hope you will continue to interact
10 with our staff and any future industry consensus group
11 that tries to work with this problem.

12 THE WITNESS: We would love to.

13 CHAIRMAN NELSON: Thank you.

14 Is there anyone else who wishes to make any
15 comment to the Commission? It's my notion that we
16 will take a recess and come back and announce our
17 decision after the recess. There's nothing else to
18 come before us right now. We'll take a 15 minute
19 recess. Be back here at 4:15.

20 (Recess.)

21 CHAIRMAN NELSON: If you will all take your
22 seats. We want to thank everyone for their extreme
23 cooperation and for being here today and for their
24 thoughtful and helpful comments today. We have
25 decided that we will order the number administrator,

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1 U S WEST, to extend the permissive dialing period for
2 90 days. And we will request that U S WEST, GTE and
3 the Washington Independent Telephone Association
4 meet in a collaborative way to try to come up with an
5 appropriate package of customer care alternatives
6 along the lines suggested by Mr. Terry Vann here
7 today. We'll ask them to meet and discuss over the
8 next two weeks options that could be offered to 360
9 customers, and we would like them to make a report to
10 us in two weeks on May 10 at 10:30 in the morning. It
11 will be following an open public meeting already
12 scheduled.

13 We have received a number of letters today
14 from interested parties, and they will also be
15 associated with this record and a written order will
16 issue by Friday memorializing this decision. I'm
17 just announcing the decision today and will be served
18 on the number administrator and the rest of you who
19 appeared. Is there anything I've forgotten?

20 COMMISSIONER HEMSTAD: I think that covers
21 it quite well.

22 COMMISSIONER GILLIS: That's fine.

23 COMMISSIONER HEMSTAD: Any questions or,
24 Counsel?

25 MR. SHAW: I just wanted to confirm, did

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1 you want as a late-filed exhibit the confidential U S
2 WEST switch exhaust information that we referenced?

3 COMMISSIONER GILLIS: Yes.

4 CHAIRMAN NELSON: Yes. If you can do that
5 under normal Commission confidentiality procedures
6 that would be great.

7 (Marked and Admitted Exhibit 1.)

8 MR. SHAW: Could I also request that we get
9 a copy of the order faxed to us so we can get it back
10 east?

11 CHAIRMAN NELSON: We will try to do that as
12 soon as it's drafted, and we will try to have that to
13 you no later than Friday morning.

14 MS. JENSEN: Commissioners, Chairman
15 Nelson, excuse me. I understand that the delay has to
16 be a specific date that is a Saturday or Sunday so
17 that the 90-day process if you could establish a
18 specific day in the order that specifies a Saturday or
19 Sunday, we would appreciate it. Thank you.

20 CHAIRMAN NELSON: It needs to be a Saturday
21 or Sunday? 90 days, whatever is closest after May
22 21st. All right. We'll do that. I don't have my
23 calendar handy right now. And we'll hope that the
24 companies indicated they would have some problems.
25 We'll work closely with our staff and we'll try to

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1 make this recognizing that there will be pinches here
2 that will try to work with everyone involved to make
3 this -- to facilitate this, but we are concerned for
4 Washington state customers that have clearly made
5 their views known and during this permissive dialing
6 period we're going to try to find ways to help those
7 that have been most severely impacted. That will
8 conclude this hearing. We'll stand adjourned and see
9 you in a couple of weeks.

10 (Hearing adjourned at 4:21 p.m.)

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