Agenda Date:	September 12, 2001
Item Number:	2E
Docket:	UT-991627 – Telephone Number Conservation
Company Name:	Telecommunications General
<u>Staff:</u>	David Dittemore, Telecommunications Engineer Betty Erdahl, Policy Research Specialist Glenn Blackmon, Assistant Director-Telecommunications

Recommendation

Direct the pooling administrator to convene the first implementation meeting for the implemention of a number pooling trial in Area Code 360.

Background

The historical telephone numbering system is not well-suited to an industry structure in which multiple companies are offering local exchange service in any given area. The current system distributes a full prefix of 10,000 numbers to each separate company, which is far more numbers than most entrants can reasonably expect to use in the near term. The result is that Washington, like most of the country, is running out of prefixes even though there are plenty of unused numbers in most prefixes.

The Federal Communications Commission (FCC) in March 2000 committed to establish a national program to begin distributing telephone numbers in blocks of 1,000 – which is known as "thousands-block number pooling." The FCC in July 2000 granted the WUTC authority to implement number pooling trials.

The WUTC has already directed the telecommunications industry to develop a number pooling implementation plan. The Washington Exchange Carrier Association, on behalf of the industry, submitted its *Generic Pooling Plan for Washington* on September 26, 2000.

The WUTC selected an interim Pooling Administrator, Telcordia Technologies, in a Special Open Meeting held October 31, 2000. However, recently the FCC has implemented its national pooling plan, and named Neustar, Inc., as the national administrator. As specified in its contract, Neustar has agreed to assume the responsibilities of administering all Washington pooling trials. Neustar has been in communication with Telcordia, to transfer all appropriate records necessary for this transition.

In its November 29, 2000, Open Meeting, the WUTC decided that a pooling trial in area code 360, in western Washington, would not be effective, and directed the telecommunications industry to begin a pooling trial in area code 509, in eastern Washington.

Staff has been monitoring usage of numbering resources in all Washington area codes, and realized that usage had decreased drastically in area code 360, and the telecommunications

Docket UT-991627 September 12, 2001 Page 2

industry had returned numbering resources, so that there was a good possibility of delaying the implementation of the overlay of area code 564, over all western Washington. In its Open Meeting of August 22, 2001, the WUTC ordered a delay, until at least October 2002. In its discussion of the delay, the WUTC stressed that number pooling, and other methods of number conservation be examined, to postpone any numbering changes as long as possible.

Unresolved Issues

Staff is aware of several issues that need to be resolved if number pooling is to move forward. The telecommunications industry has worked with Staff in attempting to resolve these issues, but the diversity of interests within the industry and the limitations of the FCC's delegation of authority have made it difficult to reach resolution. The issues include:

1. <u>Cost allocation and cost recovery</u> – The industry will incur both shared and carrier-specific costs. Each carrier affected will come before the Commission to justify charges to their customers to cover their specific costs. These costs will mainly be software upgrades to their central office switches to make pooling possible. Staff will recommend that all code holders, including wireless carriers, participate in shared costs, since they benefit from the outcome of pooling. This position has previously been adopted in other states.

2. <u>Software used for Pooling implementation</u> – There are presently two versions of pooling software, 1.4 and 3.0. Version 1.4 is more primitive and labor intensive, and version 3.0 is more refined. Previously, the telecommunications industry has preferred to wait for version 3.0, however it has been delayed approximately one year, and is tentatively scheduled for release next spring. Trials have been conducted with version 1.4 in other states, and industry is becoming more familiar with it. Staff recommends immediate implementation using version 1.4 (with minimal expenditures of labor and expense), with conversion to version 3.0 as it becomes available. Staff suggests that return of contaminated blocks be delayed until 3.0 availability, to save expense. It is also staff's understanding that in an existing Oregon trial, no blocks are returned, until needed by another code holder, also reducing expenses.

3. <u>Implementation Schedule</u> – Staff recommends implementation of number pooling, first in area code 360, since it has the most to gain by pooling. A representative of the National Administrator, using their forecasting tools, expects a further extension of two and one half years of the overlay, by implementing pooling. Staff recommends that area code 509 be implemented as presently scheduled. Area codes 206, 253 and 425 will be implemented under the Nationwide Plan, which will be in the following fifteen to eighteen months.

Docket UT-991627 September 12, 2001 Page 3

Conclusion

Staff recommends that the Commission direct the pooling administrator to convene the first implementation meeting for the implemention of a number pooling trial in Area Code 360.