

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE NORTH AMERICAN)	
NUMBERING PLAN ADMINISTRATOR, ON)	ADMINISTRATIVE
BEHALF OF THE KENTUCKY)	CASE NO.
TELECOMMUNICATIONS INDUSTRY, FOR)	2012-00129
RELIEF OF THE 270 NUMBERING PLAN AREA)	

O R D E R

On April 2, 2012, Neustar, Inc. ("Neustar") submitted to the Commission an application on behalf of the Kentucky telecommunications industry ("Industry") for approval of a relief plan for the 270 Area Code ("270 NPA"). Neustar functions as the North American Numbering Plan Administrator ("NANPA") pursuant to a contract with the Federal Communications Commission ("FCC"), which has ultimate authority over the North American Numbering Plan. In its filing with the Commission, NANPA estimated that the supply of Central Office ("CO") prefixes available within the 270 NPA would be exhausted by the first quarter of 2015.¹ The application filed by NANPA reflected Industry's consensus decision to recommend an all-services distributed overlay plan as its preferred method of relief for the 270 area code. Thus, on August 30, 2012, the Commission opened this administrative case to develop a 270 NPA relief plan.

¹ Since the filing of its application, NANPA released the October 2012 Numbering Resource Utilization Forecast, which now estimates that the 270 NPA will be exhausted during the first quarter of 2014.

BACKGROUND

NANPA first submitted an application for relief of the 270 NPA on July 25, 2001.² Numbering conservation measures taken by the FCC and the Commission, along with reduced historical and projected demand for numbering resources by industry members, contributed to extending the projected exhaust date, which led to the Commission's closing of the matter.

On July 19, 2006, due to the projected exhaust of available CO prefixes NANPA again applied to the Commission for approval of a relief plan for the 270 NPA.³ The Commission opened a new proceeding to determine an appropriate relief methodology for the 270 NPA.⁴ The Commission ordered a geographic split of the 270 NPA, and that the eastern region of the split would retain the 270 NPA while the western region of the split would be assigned the new 364 NPA.⁵

As a result of the implementation of mandatory thousands-block number pooling as authorized by the FCC in 2007 and the decrease in historical demand for numbering resources within the 270 NPA, the projected exhaust date for the 270 NPA was delayed five times. Finally, on December 13, 2010, the Commission vacated its decision to implement a geographic split and again closed the matter. As part of its decision, the Commission ordered that, should relief for the 270 NPA again become necessary, a

² Administrative Case No. 388, The Application of NANPA, on Behalf of the Kentucky Telecommunications Industry, for Approval of NPA Relief Plan for the 270 NPA (filed Sept. 26, 2001).

³ Amendment and Erratum to Application of the North American Numbering Plan Administrator on Behalf of the Kentucky Telecommunications Industry (July 18, 2006).

⁴ Case No. 2006-00357, The Application of NANPA, on Behalf of the Kentucky Telecommunications Industry, for Approval of NPA Relief Plan for the 270 NPA (filed July 19, 2006).

⁵ On June 12, 2007, NANPA notified the Commission that it had selected 364 as the new NPA to be assigned in relief of the 270 NPA.

new petition for relief would have to be filed with the Commission. The Order further stated that upon the filing of a new petition, the Commission would revisit the decision on the chosen method of relief for the 270 NPA, and a new implementation schedule would be determined.⁶

NANPA met with Industry representatives on February 23, 2012, to discuss the proposed relief alternatives and to allow Industry to arrive at a consensus on the relief alternative to recommend to the Commission. During the meeting, participants discussed three potential area code relief options, which consisted of an all-services distributed overlay plan and two two-way geographic area code splits. Upon review of the attributes of the possible relief alternatives, Industry members reached consensus to recommend the all-services distributed overlay plan to the Commission as the preferred method of relief for the 270 NPA. The application states that Industry chose the overlay plan over the geographic split alternatives because it would be the least disruptive to customers, making customer education easier and resulting in less confusion, and the overlay could be implemented in much less time. In previous applications, Industry has chosen to provide the Commission with consensus choices as their second and/or third proposed alternatives for the 270 NPA relief plan. However, in this application, Industry chose only to recommend the overlay, with no proposed alternatives selected.

Consistent with FCC regulations, the overlay relief plan would require 10-digit

⁶ *Id.*

dialing for all calls within and between the 270 NPA and the new NPA.⁷ CO code assignments would be made from the new overlay area code beginning one month after mandatory dialing. Industry participants recommended to the Commission a 13-month schedule for implementing the all-services distributed overlay. The proposed implementation schedule would be as follows:

EVENT	DATE
Network preparation period	6 months
Permissive 10-digit dialing and customer-education period (Calls within the 270 NPA can be dialed using 7 or 10 digits.) Mandatory dialing begins at the end of the Permissive Dialing Period.	6 months
First code activation after the end of the Permissive Dialing Period (effective date for CO codes from the new overlay NPA)	1 month (after mandatory dialing)
Total implementation interval	13 months

During the permissive dialing period noted in the above schedule, subscribers would be able to dial local calls within the overlay area on either a 7-digit or 10-digit basis, but they would be encouraged to dial 10 digits. After the permissive dialing period, all local calls would require 10-digit dialing.

As part of the relief-planning process, the Commission solicited public comments regarding the proposed overlay relief option and the possibility of providing relief via a split of the existing NPA 270. The Commission conducted five public meetings, made eight presentations to business and civic groups, and participated in one regional business exposition. Information regarding the overlay and split options, as well as historical information related to NPA relief, was presented at each of these events.

⁷ 47 C.F.R. § 52.19(c)(3)(ii)

DECISION AND DISCUSSION

Based on its review, the Commission has decided to adopt the all-services overlay plan as the method of relief for the 270 NPA. As a result, the new 364 NPA will serve the same geographic area currently served by the existing 270 NPA. The Commission finds that this relief method would ease the impact on Industry and customers alike and represents a competitively fair choice. Under this plan, all customers within the 270 NPA will be able to retain both the 270 NPA and their current 7-digit telephone number. The overlay also minimizes potential technical issues that may occur with a split and allows for a more efficient use of numbering resources within the area code. In addition, the overlay can be implemented in less time than could a split, and with less cost for industry. The Commission finds that an overlay also minimizes the economic impact on business customers. Had a split been selected as the relief measure, business customers in half the 270 NPA would have incurred expenses to change printed materials, advertising signage and any other materials bearing their telephone number

The threshold issue in this case is to determine the most reasonable relief option for the 270 NPA. In so doing, the Commission has taken into account the interests of all parties affected by the imminent exhaustion of numbers in the region, and has considered comments filed with the Commission or presented at the public meetings held regarding this matter. Based on the comments received, it appears that public opinion has shifted since the Commission last explored relief of the 270 NPA. At that time a majority of public commenters favored a split, but a vast majority of comments received in the current proceeding have demonstrated broad public support for the

overlay option. Many comments noted that the widespread availability and use of wireless devices with dial-by-name capability, as well as the availability of similarly programmable landline telephones, has diminished concerns regarding the inconvenience of a 10-digit-dialing requirement.⁸ The comments received suggest that a PSC decision to create an overlay would be generally accepted, whereas a decision to split area code 270 would lead to considerable opposition from the business community in the portion receiving the new 364 NPA as the result of a split.

The Commission also took into consideration the recent experiences of other states in their implementation of both overlays and splits. Since 2006, there have been a total of 23 NPA overlays implemented for relief of exhausting NPAs. In contrast, New Mexico has been the only state to implement an NPA split in that time.⁹ The split implementation in New Mexico illuminated some flaws associated with a geographic split in today's marketplace, including the failure of various exchanges and private branch exchanges to effectively implement the necessary software and hardware changes to accommodate the geographic split.

It is noteworthy that the West Virginia Public Service Commission voted to implement a split in relief of the 304 NPA in January 2008, a decision that was met with widespread public opposition and a request for reconsideration. As a result, the West Virginia Public Service Commission voted unanimously in February of 2008 to reverse

⁸ See Memorandum to Case File - Case 2012-00129 - Area Code 270 Number Exhaustion, filed November 19, 2012, and Memorandum to Case File - Case 2012-00129 - Area Code 270 Number Exhaustion, filed November 20, 2012.

⁹ Case 06-00141-UT, Petition of the North American Numbering Plan Administrator on Behalf of the New Mexico Telecommunications Industry for Relief of the 505 NPA (N.M. PRC, Nov. 9, 2006).

that decision and implement an overlay instead.¹⁰ Several members of the Industry have noted, as have other states in their implementation decisions, that there are other significant technical challenges associated with a split, including compliance with local number portability requirements, updates to Voice over Internet Protocol call routing platforms, and a number of issues related to wireless customers. The implementation of an overlay effectively eliminates these concerns and results in fewer adverse effects on network reliability. A study of recent overlay implementations in other states has demonstrated that an overlay can be put into place in an efficient and effective manner, minimizing negative impacts on customers.

As a result of its decision to overlay the 270 NPA with the new 364 NPA, the Commission further determines that mandatory 10-digit dialing will be required for all calls within and between the 270 NPA and the 364 NPA. This is pursuant to FCC requirements for the implementation of overlay plans. There currently exist some extended area service ("EAS") dialing arrangements which allow customers outside the boundaries of the existing 270 NPA to complete some cross-boundary calls between NPAs by dialing only 7 digits. In order to prevent the protection and/or assignment of certain NXX codes and to preserve the inter-NPA dialing plans, the Commission has determined that all EAS dialing arrangements should require 10-digit dialing across the 270 NPA boundaries, and that the cross-boundary 7-digit dialing originating and terminating within the 270 NPA should be eliminated.

¹⁰ Case No. 00-0953-T-PC, The NANPA, on behalf of the West Virginia Telecommunications Industry, Petition for Approval of a Relief Plan for the 304 NPA (W.V. PSC Feb. 13, 2008).

The Commission has reviewed the Industry proposal and finds that the 13-month implementation schedule is reasonable and should be adopted for the chosen NPA relief plan. Thus, the specific dates for the implementation schedule should be as follows:

EVENT	DATE
Network preparation period	February 2, 2013
Permissive 10-digit dialing and customer education period (Calls within the 270 NPA can be dialed using 7 or 10 digits.)	August 3, 2013
Mandatory 10-digit dialing begins.	February 1, 2014
First code activation after the end of the Permissive Dialing Period (effective date for CO codes from the 364 NPA)	March 3, 2014
Total implementation interval	13 months

During the network preparation period, Industry should prepare its network for the necessary modifications to accommodate the overlay, and should develop and begin implementation of its customer-education plan. During the permissive 10-digit dialing period, Industry should continue customer education. While customers will be able to complete calls during this timeframe using either 7-digit or 10-digit dialing, they should be encouraged to begin using 10-digit dialing for all calls. Mandatory 10-digit dialing should begin at the end of the permissive dialing period. At that time, callers must use the area code and the 7-digit number for all local calls. Numbers with the new 364 NPA area code may be introduced one month after mandatory 10-digit dialing begins.

As previously mentioned, Industry should develop and implement customer-education plans as soon as possible. These education plans are often done via bill inserts, customer notices, news outlets and public-service announcements. Plans should provide customers with information concerning the imminent change in dialing

arrangements for the existing and new area code region, as well as information relating to the overlay plan itself and its impact on customers. In order to ensure that customers are aware of the area code overlay and associated dialing changes, each incumbent local exchange company ("ILEC"), competitive local exchange company ("CLEC"), and wireless provider should develop a customer education plan and, within 60 days from the date of this Order, file copies of those plans to the Commission. Customer education is always an important component of any area code relief plan.

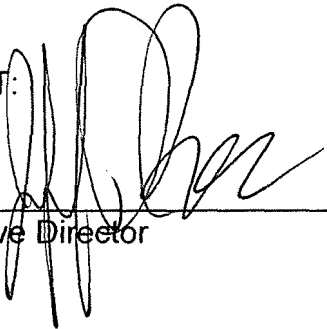
IT IS THEREFORE ORDERED that:

1. The methodology selected for the 270 NPA relief plan within Kentucky shall be by an all-services distributed overlay as described herein.
2. The 364 NPA, previously assigned to Kentucky in relief of the 270 NPA by NANPA, shall be the NPA used to overlay the existing 270.
3. Network preparation for the overlay implementation shall begin no later than February 2, 2013. The permissive 10-digit dialing period shall begin on August 3, 2013, and mandatory 10-digit dialing shall begin on February 1, 2014.
4. The effective date of the 364 NPA, or the earliest date a CO code activation from the 364 NPA may occur, shall be March 3, 2014.
5. All existing EAS dialing arrangements, which allow customers outside the boundaries of the 270 NPA to complete cross-boundary calls between NPAs by dialing 7-digits, shall require 10-digit dialing across the 270/364 NPA boundary.
6. Within 60 days of the date of the Order, each ILEC, CLEC, and wireless provider shall file its proposed customer-education plans to the Commission.

By the Commission

ENTERED
DEC 17 2012
KENTUCKY PUBLIC
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