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April 5, 2007

Ms. Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602-0615

RECEIVED

APR 09 2007

PUBLIC SERVICE
COMMISSION

Re: Administrative Case No. 2006-00357

Dear Ms. O'Donnell:

On October 10, 2006, the Kentucky Public Service Commission (KPSC) petitioned the FCC for delegated authority to implement mandatory thousands block number pooling within the 270 Numbering Plan Area (NPA).

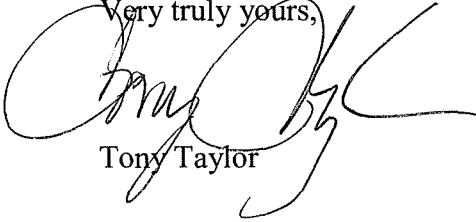
AT&T-KY would like to provide the KPSC with some information relative to number pooling in the 270 NPA, and identify some concerns we have about the effectiveness that mandatory number pooling may have in extending the life of the 270 NPA. The following are key points of an AT&T review (see Attachment A) that highlight that mandatory number pooling may not yield a significant extension to the exhaust of the 270 NPA

1. Of the 94 optional pooling ratecenters with more than one switch based provider, 97% are already pooling. When only one switch based provider exists in a ratecenter, there is no real benefit to mandatory pooling because no other service provider is available in that ratecenter to share the pooled numbering resources and the resources can not be used outside of that ratecenter.
2. The 270 NPA has a high preponderance (66% of the total ratecenters) of rural ratecenters with only 1 or 2 switch based service providers. This contributes to the low utilization percentage for the 270 NPA because there are no more than two switch based service providers available to share the numbering resources in these rate centers.
3. AT&T-KY estimates that it will cost approximately \$500,000 in right-to-use software fees to deploy number pooling in its remaining switches in the 270 NPA area while number pooling will likely not extend the 270 exhaust by any appreciable period of time. When the FCC mandated thousand block number pooling in only the top 100 MSAs and approved a cost recovery mechanism, it did not include cost recovery for areas in which thousand block number pooling was not mandatory. Should the FCC delegate authority to the

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Kentucky Public Service Commission to implement thousand block number pooling in areas outside the top 100 MSAs, the Commission should allow affected carriers to recover the cost of implementation.



It is our hope that the above information will be informative and useful for the Commission as it considers its solution to the 270 exhaust situation. If there are any questions or the need for additional information concerning this filing, please call Jim Tipton at 502-582-8925.

Very truly yours,

Tony Taylor

cc: Parties of Record

Listed below are some statistics and comments relative to the offices within the 270 NPA serving area where switch based service providers are operating. As the Commission is aware, competitive service providers in AT&T Kentucky's service area can be switch based or lease switch facilities from AT&T Kentucky to provide their dial tone services. Mandatory number pooling gains its impact from those competitors that utilize their own switch to provide their services. For this reason, the information below captures only those switch based competitors

270 NPA - Table 1
Ratecenter Distribution for Mandatory and Optional Pooling

Mandatory Pooling Ratecenters		
With 1 switch based service provider (no pool established)	4	
With more than 1 switch based service provider	3	
<i>Total Mandatory Pooling Ratecenters</i>		7
Optional Pooling Ratecenters		
With pool (all have more than 1 switch based service provider)	91	
With no pool	29	
no pool and only 1 switch based service provider	26	
no pool and more than 1 switch based service provider	3	
<i>Total Optional Pooling Ratecenters</i>		120
Ratecenters excluded from Pooling		43
Total Ratecenters in the 270 NPA		170

Observations Table 1:

- A very high percentage (91 of 94, or 97%) of optional pooling rate centers with more than 1 switch based service provider already have pools established.

270 NPA - Table 2
AT&T Kentucky Ratecenters

AT&T-KY Ratecenters with only 1 switch based service provider	18
AT&T-KY Ratecenters with 2 switch based service providers	28
AT&T-KY Ratecenters with more than 2 switch based service providers	36
Total Ratecenters where AT&T-KY has an NXX Code	82

Observations Table 2:

- All AT&T-KY Ratecenters with 2 or more switch based service providers already have an established pool.

270 NPA - Table 3
Ratecenters with No Established Pool

Mandatory Pooling Ratecenters	
With only 1 switch based provider	4
Optional Pooling Rate Centers	
With only 1 switch based provider	26
With more than 1 switch based provider	3
Ratecenters excluded from Pooling	
With only 1 switch based provider	26
With more than 1 switch based provider	17
Total Ratecenters with No Established Pool	76

Table 3 Observations:

- There is only 1 switch based service provider in 74% (56 of 76) of the ratecenters that do not have a pool established. There are only 20 rate centers with more than 1 switch based service provider that do not already have a pool established.

- There are only 3 Optional pooling ratecenters with more than 1 switch based service provider for which no pool currently exists.

270 NPA - Table 4
Ratecenter Distribution based upon
Quantity of Switch Based Service Providers

With only 1 switch based service provider		56
With 2 switch based service providers		57
With Pooling	40	
With No Pooling	17	
With more than 2 switch based service providers		57
With Pooling	54	
With No Pooling	3	
Total Ratecenters in the 270 NPA		170

Table 4 Observations:

- The 270 NPA has a high preponderance (66% of the total ratecenters) of rural ratecenters with only 1 or 2 switch based service providers. This contributes to the low utilization percentage for the 270 NPA because there are no more than two switch based service providers available to share the numbering resources in these rate centers. It is well documented that pooling is more effective in ratecenters that have multiple switch based service providers. The implementation of mandatory pooling will not unstrand any numbers from NXX codes that are already assigned in ratecenters with 1 or 2 switch based service providers because these numbers can only be used in the assigned ratecenter. However, mandatory pooling will prevent further number stranding if and when another switch based service provider needs numbering resources in these rate centers.
- The KPSC should not order mandatory pooling in single switch based carrier ratecenters.
 - In FCC 03-126, Para 3: The FCC exempted from the pooling requirement switch based carriers that are the only switch based service provider receiving numbering resources in a given rate center

- Mandatory pooling will require that pooling be implemented in any single switch based carrier ratecenter whenever a second switch based carrier decides to provide service in that ratecenter.
- It is doubtful that mandatory pooling will be of great benefit in rural ratecenters with only two service providers, particularly in those ratecenters that already have a pool established (as is the case in 40 of the 41 optional pooling rate centers with only two switch based service providers).
 - In FCC 03-126, Para 17 acknowledges that pooling is most effective in areas where competition exists because it allows multiple switch based service providers to more effectively share limited resources. Where competition is provided over leased switch facilities competition, and therefore fewer switch based carriers requiring numbering resources, pooling may have less impact on numbering resource exhaust.
 - For a ratecenter with only two switch based service providers that already has a pool established, there would likely be minimal benefits from mandatory pooling until a third service provider seeks numbering resources in that ratecenter.

270 NPA - Table 5
AT&T Kentucky Thousand Block Distribution

Dedicated Blocks and blocks in single provider ratecenters	105
Blocks in ratecenters with 2 switch based service providers	172
Blocks in ratecenters with more than 2 switch based service providers	186
Quantity of 1,000 Blocks AT&T KY could Potentially Pool	463

General Comments:

- NANPA's current projected exhaust date for the 270 NPA is the third quarter of 2008. This projected exhaust date is based on the jeopardy rationing of 3 codes per month established by the industry. The fourth quarter of 2007 was NANPA's projected exhaust date before jeopardy procedures were put in place. There will be very little time between NANPA's original NPA exhaust date projection of the fourth quarter 2007 and the date that mandatory pooling can actually be implemented.
- In light of the rural nature of the 270 NPA and the information presented above, AT&T-KY does have concerns as to whether mandatory pooling will significantly extend the life of the 270 NPA or significantly delay the need for the KPSC to release an NPA Relief Order.
- It seems unlikely that mandatory pooling could be implemented any earlier than late 3rd Qtr 07. That assumes the FCC issues an Order soon, and roughly a 6-month industry implementation interval for mandatory pooling. Even if mandatory pooling extends the life of the 270 NPA by as long as 18 months or until 2nd Qtr 09, there would still be a need for the KY PSC to issue an NPA Relief Order given the industry consensus on 19 months to implement NPA Relief (this interval was for an overlay relief plan; a geographic split could take even longer to implement).
- AT&T-KY estimates that it will cost approximately \$500,000 in right-to-use fees to deploy number pooling in its remaining switches in the 270 NPA area. When the FCC mandated thousand block number pooling in only the top 100 MSAs and approved a cost recovery mechanism, it did not include cost recovery for areas in which thousand block number pooling was not mandatory. Should the FCC delegate authority to the Kentucky Public Service Commission to implement thousand block number pooling in areas outside the top 100 MSAs, the Commission should allow affected carriers to recover the cost of implementation.