

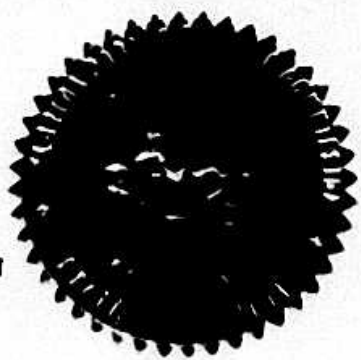
BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

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| In the Matter of         | : | DOCKET NO. 961153-TL |
|                          | : |                      |
| Petition for Numbering   | : |                      |
| Plan Area Relief For 904 | : |                      |
| Area Code, by BellSouth  | : |                      |
| Telecommunications, Inc. | : |                      |

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FIRST DAY - MORNING SESSION

VOLUME 1

Pages 1 through 105

PROCEEDINGS: HEARING

BEFORE:

CHAIRMAN SUSAN F. CLARK  
 COMMISSIONER J. TERRY DEASON  
 COMMISSIONER JULIA L. JOHNSON  
 COMMISSIONER DIANE K. KIESLING  
 COMMISSIONER JOE GARCIA

DATE: Monday, December 9, 1996

TIME: Commenced at 9:00 a.m.

PLACE: Betty Easley Conference Center  
 Room 148  
 4075 Esplanade Way  
 Tallahassee, Florida

REPORTED BY: ROWENA NASH HACKNEY  
 H. RUTHE POTAMI, CSR, RPR  
 Official Commission Reporters

DOCUMENT NUMBER - DATE  
**13267 DEC 12 96**  
 FPSC-RECORDS/REPORTING

1 **APPEARANCES:**

2           **J. JEFFRY WAHLEN, Ausley & McMullen, Post**  
3 **Office Box 391, Tallahassee, Florida 32302, appearing**  
4 **on behalf of Central Telephone Company of Florida,**  
5 **United Telephone Company of Florida, ALLTEL Florida,**  
6 **Inc., and Northeast Florida Telephone Company.**

7           **DAVID B. ERWIN, Young, van Assenderp and**  
8 **Varnadoe, P. A., P. O. Box 1833, Tallahassee, Florida**  
9 **32302-1833, appearing on behalf of Quincy Telephone**  
10 **Company, Florida Telecommunications, Gulf Telecommuni-**  
11 **cations Inc., and St. Joseph Telecommunications.**

12           **MARK HERRON, Akerman, Senterfitt & Edison,**  
13 **P.A., 216 South Monroe Street, Suite 200, Tallahassee,**  
14 **Florida 32302-2555, appearing on behalf of BellSouth**  
15 **Mobility, Inc.**

16           **SHARON D. LARSON and STEPHEN S. MATHUES,**  
17 **State of Florida Department of Management Services,**  
18 **4050 Esplanade Way, Tallahassee, Florida 32399-0950,**  
19 **appearing on behalf of the State of Florida Department**  
20 **of Management Services.**

21

22

23

24

25

1 **APPEARANCES CONTINUED:**

2 **ROBERT G. BEATTY, BellSouth**  
3 **Telecommunications, Inc., Suite 400, 150 South Monroe**  
4 **Street, Tallahassee, Florida 32301, and NANCY WHITE,**  
5 **675 West Peachtree Street, Suite 4300, Atlanta,**  
6 **Georgia 30375, appearing on behalf of BellSouth**  
7 **Telecommunications, Inc.**

8 **MARSHA E. RULE, AT&T Communications of the**  
9 **Southern States, Inc., 101 East College Avenue, Suite**  
10 **700, Tallahassee, Florida 32301-1509, appearing on**  
11 **behalf of AT&T Communications of the Southern States,**  
12 **Inc.**

13 **CHARLIE PELLEGRINI and WILL COX, Florida Public**  
14 **Service Commission, Division of Legal Services, 2540 Shumard**  
15 **Oak Boulevard, Tallahassee, Florida 32399-0870, appearing on**  
16 **behalf of the Commission Staff.**

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**WITNESSES**

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**NAME**

**PAGE NO.**

**DANIEL M. BAEZA**

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

(Hearing convened at 9:00 a.m.)

**MR. BEATTY:** Call the hearing to order.

Mr. Pellegrini, would you read the notice?

**MR. PELLEGRINI:** Yes, Chairman. Pursuant to notice, dated November 11 and November 20th, this place and time have been set for a hearing in Docket No. 961153-TL, petition for numbering plan area relief for 904 area code by BellSouth Telecommunications, Inc.

**CHAIRMAN CLARK:** We'll take appearances starting with you, Mr. Erwin.

**MR. ERWIN:** Yes. My name is David B. Erwin of the firm of Young, van Assenderp & Varnadoe, 225 South Adams Street, Tallahassee, Florida, appearing on behalf of Quincy Telephone Company, St. Joseph Telecommunications, Gulf Telecommunications and Florala Telecommunications.

**MR. BEATTY:** I'm Robert Beatty, appearing on behalf of BellSouth, 150 West Flagler Street, Suite 1920, Miami, Florida. Also with me is Nancy White, appearing also on behalf of BellSouth at 675 West Peachtree Street, Suite 4300, Atlanta, Georgia 30375.

**MR. WAHLEN:** I'm Jeff Wahlen of the Ausley & McMullen Law Firm, 227 South Calhoun Street,

1 Tallahassee, Florida, appearing on behalf of Central  
2 Telephone Company of Florida, United Telephone Company  
3 of Florida, ALLTEL Florida, Inc, and Northeast Florida  
4 Telephone Company.

5 **MR. MATHUES:** Stephen S. Mathues, on behalf  
6 of the Department of Management Services, 4050  
7 Esplanade Way, Suite 260, Tallahassee 32399-0950.

8 **MR. HERRON:** Mark Herron of Akerman,  
9 Senterfitt & Edison Law Firm, 216 South Monroe Street,  
10 Suite 200, Tallahassee 32301, on behalf of BellSouth  
11 Mobility, Inc.

12 **MR. PELLEGRINI:** Charles Pellegrini and Will  
13 Cox appearing on behalf of Public Service Commission  
14 Staff, 2540 Shumard Oak Boulevard, Tallahassee.

15 **CHAIRMAN CLARK:** Mr. Pellegrini, I  
16 understand there are some preliminary things we need  
17 to take up at this time.

18 **MR. PELLEGRINI:** Yes, Chairman Clark, there  
19 are a number of matters. The first is a motion from  
20 AT&T for intervention which was filed on December 3rd.

21 **CHAIRMAN CLARK:** Does Staff have a  
22 recommendation on the Motion for Intervention?

23 **MR. PELLEGRINI:** Yes. Staff's  
24 recommendation would be that the motion be granted,  
25 the filing was pursuant to rule, no filings in

1 opposition have been received thus far.

2           **CHAIRMAN CLARK:** But is there anyone here  
3 representing AT&T?

4           **MR. PELLEGRINI:** I see no one this morning.  
5 There may be some confusion about the start time. I  
6 don't know.

7           **CHAIRMAN CLARK:** Who filed the intervention?

8           **MR. PELLEGRINI:** Tracy Hatch.

9           **CHAIRMAN CLARK:** Okay. We will go ahead and  
10 show the motion granted without objection.

11           **MR. PELLEGRINI:** The second matter to be  
12 taken up is Staff's request for official recognition  
13 of Order No. FCC 95-283, Order No. FCC 96-333 and  
14 Commission Order No. PSC-95-1048-FOF-TL.

15           **CHAIRMAN CLARK:** And the Commissioners have  
16 copies of the Order. And then there is a cover page  
17 outlining the Order, is that correct? Outlining the  
18 orders?

19           **MR. PELLEGRINI:** I don't think you have  
20 copies of the Orders, just the list. You should have  
21 a list of the items which I've just enumerated.

22           **CHAIRMAN CLARK:** You are right. We'll label  
23 the list of the three Orders as Exhibit No. 1, and we  
24 will take official recognition of those Orders listed  
25 on Exhibit 1. And without objection, the list will be

1 entered in the record.

2 (Exhibit 1 marked for identification and  
3 received in evidence.)  
4

5 MR. ERWIN: Excuse me. Chairman Clark, I  
6 would think it might be customary to have copies of  
7 the orders for the parties if you are going to take  
8 official notice of it.

9 CHAIRMAN CLARK: Mr. Pellegrini, do we have  
10 copies for the parties --

11 MR. PELLEGRINI: We have only a single set.  
12 We can make copies available at some appropriate time  
13 in the day.

14 CHAIRMAN CLARK: Let me ask a question.  
15 Rather than giving everyone a copy, and those people  
16 who already have it, if you would let Staff know if  
17 you need a copy, they will provide you with one.  
18 Thank you.

19 MR. PELLEGRINI: The third item concerns  
20 some typographical errors in the Prehearing Order.  
21 First, on Page 2 in the footnote, the words -- the  
22 word "issue" which appears twice should be changed to  
23 options.

24 CHAIRMAN CLARK: All right.

25 MR. PELLEGRINI: And secondly, in Section 8,

1 the exhibit list, we neglected to include one exhibit  
2 of Mr. Baeza, DMB-2, which is the ICCF NPA Code Relief  
3 Planning Guidelines.

4 **CHAIRMAN CLARK:** Okay.

5 **MR. PELLEGRINI:** And fourth, Staff has  
6 consulted with all the parties and would offer Exhibit  
7 Stip 1 on the basis of that stipulation into evidence.  
8 That is an excerpt from the 1996/1997 Florida  
9 Telecommunications Industry Association Membership  
10 Directory.

11 **CHAIRMAN CLARK:** We'll label that as Exhibit  
12 2, and we'll show it admitted in the record by  
13 stipulation.

14 (Exhibit 2 marked for identification and  
15 received in evidence.)

16 **MR. PELLEGRINI:** And, Chairman Clark, there  
17 is one further item I think may be appropriate as a  
18 preliminary matter. Staff would propose to use  
19 excerpts from the ALLTEL and BellSouth telephone  
20 directories, and I would ask the parties at this time  
21 to stipulate to the admission of those exhibits as  
22 well.

23 **CHAIRMAN CLARK:** Do you have copies of that?

24 **MR. PELLEGRINI:** Yes.

25 **CHAIRMAN CLARK:** All right. Why don't we



1 give copies of that to the parties, and then after a  
2 break, after you've consulted with the parties and  
3 make sure there's no objection, we'll label it as an  
4 exhibit.

5 MR. PELLEGRINI: This is identified as  
6 GWM-6. I believe the parties do have a copy.

7 CHAIRMAN CLARK: Okay.

8 MR. ERWIN: Yeah, I'll be prepared to  
9 stipulate to that now. We all have copies, I think.

10 MR. BEATTY: And BellSouth will stipulate to  
11 that.

12 MR. WAHLEN: That's fine, we don't object.

13 CHAIRMAN CLARK: Mr. Mathues.

14 MR. MATHUES: No objection.

15 CHAIRMAN CLARK: Mr. Herron.

16 MR. HERRON: No objection.

17 CHAIRMAN CLARK: Ms. Rule, would you like to  
18 make an appearance?

19 MS. RULE: Yes, I would. Thank you. Marsha  
20 Rule on behalf of AT&T. I apologize for arriving  
21 late. I had a calendar difficulty. Apparently my  
22 calendar is on Commission autopilot and expected to be  
23 here at 9:30. AT&T has a statement of basic position  
24 to hand out. We'll be having no positions on the  
25 issues, and we anticipate little cross examination, if



1 any.

2           **CHAIRMAN CLARK:** Your intervention was  
3 granted. If you will pass out to everyone your  
4 statement on the issues. We will mark the exhibit  
5 that's identified by Staff as GWM-6 as Exhibit 3, and  
6 we will show it admitted in the record without  
7 objection.

8           (Exhibit 3 marked for identification and  
9 received in evidence.)

10           **MR. PELLEGRINI:** There are no further  
11 preliminary matters, Chairman Clark, so far as Staff  
12 knows.

13           **MR. ERWIN:** Excuse me. I have one  
14 preliminary matter.

15           **CHAIRMAN CLARK:** Go ahead, Mr. Erwin.

16           **MR. ERWIN:** Late last week there was a lot  
17 of talk and faxes flying around trying to see if we  
18 could arrange a stipulation whereby witnesses would  
19 not have to appear and would be able to simply have  
20 their testimony inserted into the record if there were  
21 no questions for those witnesses and that sort of  
22 thing.

23           It looked as if that was going to take  
24 place. In fact, I signed several and sent them back.  
25 And in the course of all of this, Witness Donald

1 Bowden from Gulf, St. Joseph, and Florala learned that  
2 he had needed to go to another school in Orlando  
3 today, and so, he's not present here. And I would  
4 like to see if we can still see what the parties think  
5 about the possibility of putting his testimony in  
6 without cross examination.

7 CHAIRMAN CLARK: Do the parties need a  
8 moment to think about that?

9 MR. BEATTY: Yes.

10 CHAIRMAN CLARK: Mr. Erwin, we'll take it up  
11 after the first break.

12 MR. ERWIN: Okay.

13 CHAIRMAN CLARK: Anything further that we  
14 need to take up as a preliminary matter? Mr. Beatty,  
15 do you have any preliminary matters we need to take  
16 up?

17 MR. BEATTY: No, ma'am.

18 CHAIRMAN CLARK: Mr. Wahlen.

19 MR. WAHLEN: No, ma'am.

20 CHAIRMAN CLARK: Mr. Mathues.

21 MR. MATHUES: No.

22 CHAIRMAN CLARK: Mr. Herron.

23 MR. HERRON: No.

24 CHAIRMAN CLARK: And none for you, Ms. Rule?

25 MS. RULE: No.

1                   **CHAIRMAN CLARK:** Okay, thank you. Are you  
2 **Mr. Baeza?**

3                   **WITNESS BAEZA:** Yes, I am.

4                   **CHAIRMAN CLARK:** If you will stand and raise  
5 your right hand, and I will swear you in. And I would  
6 like to ask everyone who is here at this time who is  
7 going to be a witness to please stand and raise your  
8 right hand and be sworn in at the same time.

9                   (Witnesses collectively sworn.)

10                   **CHAIRMAN CLARK:** Mr. Beatty.

11                   **MR. BEATTY:** Thank you.

12                   - - - - -

13                   **DANIEL M. BAEZA**

14 was called as a witness on behalf of BellSouth and,  
15 having been duly sworn, testified as follows:

16                   **DIRECT EXAMINATION**

17 **BY MR. BEATTY:**

18                   **Q** Mr. Baeza, for the record, will you please  
19 state your name and business address?

20                   **A** My name is Daniel M. Baeza. I'm located at  
21 6451 North Federal Highway, Fort Lauderdale, Florida  
22 33308, Room 915.

23                   **Q** And by whom are you employed and in what  
24 capacity?

25                   **A** I'm employed by BellSouth

1 Telecommunications. I am the director of  
2 infrastructure planning for BellSouth  
3 Telecommunications.

4 Q Did you cause to be prefiled in this docket  
5 eight pages of direct testimony and two exhibits  
6 marked DMB-1 and 2?

7 A Yes, I did.

8 Q And do you have any changes to your direct  
9 testimony?

10 A No.

11 Q Do you have any changes to your exhibits?

12 A No.

13 Q And if I were to ask you the questions that  
14 appear in your testimony today, would your answers  
15 remain the same?

16 A Yes, they would.

17 MR. BEATTY: Madam Chairman, I request that  
18 the direct testimony of Mr. Baeza be inserted into the  
19 record as though read.

20 CHAIRMAN CLARK: The prefiled direct  
21 testimony of Mr. Baeza will be inserted in the record  
22 as though read.

23 MR. BEATTY: And I would also request that  
24 the two exhibits be marked for identification.

25 CHAIRMAN CLARK: The exhibits identified as

1 DMB-1 and 2 will be marked as Exhibit 4.

2 (Exhibit 4 marked for identification.)

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1                   **BELLSOUTH TELECOMMUNICATIONS, INC.**  
2                   **DIRECT TESTIMONY OF DANIEL M. BAEZA**  
3                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
4                   **DOCKET NO. 961153-TL**  
5                   **NOVEMBER 1, 1996**  
6

7 **Q. Please state your name and business address.**

8  
9 **A. My name is Daniel M. Baeza. My business address is 6451 North**  
10 **Federal Highway, Fort Lauderdale, Florida.**

11  
12 **Q. By whom are you employed and in what capacity?**

13  
14 **A. I am employed by BellSouth as a Director in Infrastructure Planning for**  
15 **the states of Florida, Alabama, Mississippi, and Louisiana.**

16  
17 **Q. Please summarize your educational background, work experience, and**  
18 **current responsibilities.**

19  
20 **A. I received a bachelor of science degree in electrical engineering in 1974,**  
21 **and a master of science degree in electrical engineering in 1979, both**  
22 **from the University of Miami. Also, I have qualified as a registered**  
23 **professional engineer in the state of Florida. For the past twenty two**  
24 **years, I have been an employee of BellSouth. From 1974 to mid-1979, I**  
25 **held various assignments within the Florida Planning and Engineering**  
26

1 Department, including circuit engineering, switch engineering, and  
2 engineering staff. In 1979 I joined the Network Operations Department as  
3 a budget analyst and software developer. I returned to the Network  
4 Planning and Engineering Department in 1982 and managed the  
5 operation of the E911 automatic location identification  
6 system for BellSouth. In 1987, I accepted a rotational assignment with  
7 Bell Communications Research in New Jersey, providing project  
8 management for the development of new operations support systems.  
9 In 1990, I returned to Planning and Engineering in Florida. I presently  
10 hold the position of Director in Infrastructure Planning where I  
11 am responsible for interoffice facility, switching, and fundamental loop  
12 planning as well as other peripheral planning requirements like NPA relief.

13

14 Q. What is the purpose of your testimony?

15

16 A. The purpose of my testimony is to provide the current status of the 904  
17 area code exhaust, enumerate the relief options for that exhaust and  
18 provide an implementation recommendation.

19

20 Q. Under what governance are area codes administered?

21

22 A. The North American Numbering Plan (NANP) governs the assignment  
23 and use of telephone numbers in North America. The NANP standard  
24 comports with the International numbering standards established by the

25

26



1 International Telephone and Telegraph Consultative Committee. These  
2 standards provide the accepted format for telephone numbers; a three  
3 digit Numbering Plan Area (NPA), a three digit central office code (NXX)  
4 and a four digit station address code.

5  
6 The NANP is currently administered by Bell Communications Research,  
7 Inc. However, BellSouth, as the predominant local exchange service  
8 provider in North Florida, administers the assignment of NXX codes within  
9 a 904 NPA and monitors code utilization. In that capacity, BellSouth has  
10 determined that the 904 area code will exhaust in or around May of 1998.

11  
12 Q. How is an exhaust determined?

13  
14 A. BellSouth, as central office code administrator for Florida, continuously  
15 monitors the NXX code utilization and assignment. In the course of those  
16 duties, the number of assigned codes is always known. Additionally,  
17 BellSouth tracks the rate of code assignment requests. With these two  
18 data elements, total assigned codes and rate of requests, a  
19 determination can be made of the forecasted exhaust of all codes, thus  
20 the exhaust of the NPA code.

21  
22  
23 Q. What is the current status of the 904 area code?

1 A. The 904 NPA, today, encompasses the upper part of Florida from the  
2 Daytona and Jacksonville LATAs on the east through the Pensacola  
3 LATA on the west. Of the possible 792 codes available for assignment in  
4 the 904 NPA, 594 were in service as of January, 1996. The current  
5 forecasted rate of future code assignments is approximately 6 per month  
6 for 1996, 7 per month for 1997, and up to 8 per month for 1998. The  
7 calculation of adding the total assigned codes to the total forecasted rate  
8 of requests indicates that the current exhaust point for the 904 NPA will  
9 be May, 1998.

10  
11 Q. Once the forecasted 904 NPA exhaust was determined, what steps did  
12 BellSouth take to form relief plans?

13  
14 A. BellSouth, of course, is the code administrator, but not the only user of  
15 NXX codes. It was incumbent on BellSouth to facilitate an industry  
16 solution once the 904 NPA exhaust was forecasted.

17  
18 BellSouth notified all known code holders and assorted other  
19 telecommunications providers doing business within the 904 area code of  
20 an industry meeting. Meetings were held on July 31, 1996 and August  
21 22, 1996 to present the relevant information to the parties and to reach a  
22 consensus of a relief plan.

23  
24 Q. What are the available methods for relief of an NPA exhaust?

25  
26

1 A. As defined by the Industry Carriers Compatibility Forum in their NPA  
2 Code Relief Planning Guidelines, Revision 1, dated March, 8, 1996, (See  
3 DMB Exhibit 2) the primary alternatives for NPA relief are:

- 4 - NPA geographic split
- 5 - Boundary realignment of two adjacent NPAs
- 6 - NPA overlay

7  
8 Q. Will you briefly describe these alternatives?

9  
10 A. Yes. The NPA geographic split method consists of dividing the  
11 exhausting NPA into geographic areas. This method leaves  
12 the existing NPA to serve, for example, the area with the highest  
13 customer density, thus minimizing number changes, and assigns the  
14 new NPA to the remaining area. The division can be made on  
15 jurisdictional, natural, or physical boundaries such as counties, cities, or  
16 rivers. This method has been the alternative chosen for nearly all NPA  
17 relief requirements occurring before 1995. The technical aspects of this  
18 method have been resolved and implementation procedures are well  
19 understood.

20  
21 The boundary realignment method can occur when an NPA requiring  
22 relief is adjacent to an NPA with spare NXX code capacity within the  
23 same state. The boundary shift allows spare codes in the adjacent NPA  
24 to be used in relief of the exhausting NPA. The boundary realignment  
25 method causes a geographic shrinkage of the physical area of the  
26

1       exhausting NPA and a commensurate expansion in the NPA with spare  
2       NXX capacity. This method is usually an interim measure since it  
3       generally provides short term relief.

4  
5       Finally, the overlay method occurs when more than one NPA serves the  
6       same geographical area. In this situation, code relief is provided by  
7       opening a new NPA within the same physical area as the NPA requiring  
8       relief. Numbers from the new NPA are assigned to new growth on a  
9       carrier neutral basis, i.e., first come first served. While mandatory number  
10      changes are usually eliminated within the overlay relief area, changes to  
11      customer dialing patterns will occur. This method necessitates ten digit  
12      dialing of local calls between the old and new NPAs

13  
14    **Q.**    What were the results of the industry meetings concerning the method for  
15            904 NPA relief?

16  
17    **A.**    The industry reached consensus on using the NPA geographic split  
18            along LATA boundaries as the method for 904 NPA relief. No consensus,  
19            however, was reached on which LATA(s) would be removed from the 904  
20            NPA.

21  
22    **Q.**    Will you explain the LATA boundary options available for the geographic  
23            split of NPA that were determined to be most viable by the industry  
24            meeting?

1 A. Yes. The principal LATA boundary relief options under consideration by  
2 the industry code holders are:

3  
4 OPTION 1- Assign New NPA to Pensacola, Panama City, and  
5 Tallahassee

6 This option meets the criteria set forth in the industry guidelines for NPA  
7 relief (See DMB Exhibit 1 Page 1). It provides relief for the longest  
8 amount of time for both the new and old NPAs. The 904 NPA would  
9 then be expected to need relief again in September, 2002. The new  
10 NPA, 850, would not exhaust until approximately November, 2006. It  
11 should be noted that the State Department of Management Services  
12 opposes this option due to the costs it would incur to reprint publications  
13 and reprogram premises equipment.

14  
15 OPTION 1A- Assign New NPA to Jacksonville and Daytona LATAs

16 This option circumvents the intent of the industry guidelines to minimize  
17 the impact of an NPA split by assigning the new NPA to the areas with the  
18 greatest number of subscribers and NXXs (See DMB Exhibit 1 Page 2).  
19 The impact on future NPA exhaust dates, however, would be the same  
20 as Option 1.

21  
22 OPTION 2- Assign New NPA to Pensacola and Panama City LATAs

23 While this method does have the advantage of impacting fewer  
24 subscribers and NXXs than Options 1 and 1A, it provides a shorter relief

25  
26

1 interval than either of those two (See DMB Exhibit 1 page 3). The 904  
2 NPA would be expected to exhaust under this option in October, 2000.

3

4 Q. When should the NPA relief be implemented?

5

6 A. The 904 NPA relief should be implemented through a transition plan  
7 which would allow permissive dialing to begin within three to six months  
8 of the FPSC's final decision and mandatory dialing to commence in the  
9 second quarter, 1998.

10

11 Q. Does this conclude your testimony?

12

13 A. Yes, it does.

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1           **MR. BEATTY:** Madam Chairman, we have, for  
2 illustrative purposes only, a chart which is a Florida  
3 map that has the LATA boundaries designated on it?  
4 And I would like to pass it out to the parties and to  
5 the Commission. It's just to facilitate the  
6 testimony.

7           **CHAIRMAN CLARK:** That's fine. These are  
8 nice maps, can we keep them?

9           **MR. BEATTY:** Yes, you may.

10          **Q**        **(By Mr. Beatty)** Mr. Baeza, did you cause  
11 to be prepared a summary of your testimony?

12          **A**        Yes, I did.

13          **Q**        Please give your summary.

14          **A**        Thank you. Good morning. The purpose of my  
15 testimony and my presence here today is to provide the  
16 necessary information to this Commission to enable a  
17 decision on 904 NPA relief. BellSouth, as a dominant  
18 LEC in the 904 area, acts as NXX code administrator.  
19 In that capacity BellSouth monitors NXX code  
20 utilization in assignment and advises the industry  
21 when an NPA exhaust situation is forecasted.

22                    Acting in that capacity, BellSouth has  
23 forecasted the exhaust of the NPA in or around May of  
24 1988. We notified all known code holders an assorted  
25 other telecommunications providers of the pending



1 exhaust. Meetings were held in July and August 1996.  
2 Those industry meetings resulted in a consensus that  
3 the NPA geographic split along LATA boundaries was the  
4 appropriate method to relieve the 904 NPA. No  
5 consensus, however, was reached on which LATAs would  
6 be removed from the 904 area.

7           The most viable options for LATA boundary  
8 relief are: Option 1, assign the new NPA to  
9 Pensacola, Panama City and Tallahassee. The new area  
10 code would exhaust in 2006 and meets the industry  
11 guidelines.

12           Option 1a, assign the new NPA to the  
13 Jacksonville and Daytona LATAs. The new area code  
14 exhausts in 2002 and does not meet industry  
15 guidelines.

16           Option 2, assign the new NPA to Pensacola  
17 and Panama City LATAs. The new area code exhausts in  
18 2012, and meets industry guidelines.

19           My testimony has highlighted the salient  
20 points of each option. Regardless of the option  
21 chosen by this Commission, 904 NPA relief should be  
22 implemented through a transition plan that would allow  
23 permissive dialing to begin within three to six months  
24 of the Commission's final decision, and mandatory  
25 dialing to commence in the second quarter 1998. That

1 concludes my statement.

2 MR. BEATTY: Madam Chairman, the witness is  
3 available for cross examination.

4 CHAIRMAN CLARK: Mr. Erwin.

5 CROSS EXAMINATION

6 BY MR. ERWIN:

7 Q Mr. Baeza, could you tell the Commissioners  
8 which one of the area codes is most likely to grow  
9 rapidly in the future?

10 A Which one of the area --

11 Q Which one of the LATAs, I'm sorry. Which  
12 one of the LATAs is likely to grow the most quickly?

13 A Yes, the Jacksonville LATA.

14 Q And which one of the LATAs would be likely  
15 to grow the slowest?

16 A I don't have an answer on that. I don't  
17 know which would be the slowest.

18 Q Under the guidelines, the ICCF Guidelines,  
19 did you put these guidelines as an exhibit to your  
20 testimony?

21 A Yes, I did.

22 Q Was that Exhibit 2, I believe?

23 A Yes.

24 Q Could you turn to Page 4 of that exhibit?  
25 Is it true that at the bottom of that Exhibit this

1 phrase appears? "Normally, only one code will be  
2 assigned per request unless the codes are to be  
3 introduced simultaneously." Does that phrase appear?

4 A Yes, it does.

5 Q Does that mean that if a new area code were  
6 assigned to Jacksonville and a new area code assigned  
7 to Daytona Beach, that if this were done  
8 simultaneously, it would fall within the guidelines of  
9 the ICCF?

10 A It would meet that phrase which we just  
11 talked about, yes.

12 Q Are you aware of the desire of the  
13 Commission that has been expressed in the past on  
14 occasion to place the cost on the cost causer?

15 A No, I'm not aware of that.

16 Q How would you place the cost on the cost  
17 causer in this situation where you've got changes of  
18 area codes taking place? Would you look for the area  
19 code that has the greatest growth to try to find out  
20 who is causing any need for the area code to change,  
21 and place the burdens on that particular area if that  
22 position were adopted?

23 A I have no position on charging the cost  
24 causer if a cost causer could be identified. It would  
25 be extremely difficult to say that one area is the

1 cost causer over another area, as all areas share in  
2 the use of these codes.

3 Q Mr. Baeza, where would it be most likely for  
4 new entrants to appear?

5 A I would suspect the Jacksonville LATA would  
6 be the most competitive area.

7 Q And did your calculations consider the  
8 numbers of new NXXs that would be necessitated by the  
9 entree of new competitors in telecommunications?

10 A There is some projection in the COCUS study  
11 that reflects new entrants into the telecommunications  
12 business.

13 Q Did you give testimony that was somewhat  
14 different than that during your deposition indicating  
15 that you had not considered the new entrants in  
16 determining the exhaust dates and so forth?

17 A That is possible. I don't recall the  
18 specific question, but at the time I thought I  
19 answered the question in the vein in which it was  
20 asked.

21 Q So your testimony today is that you have  
22 considered the need for new NXX's that would be caused  
23 by new entrance into the market?

24 A There is some projection of new NXXs for  
25 CAPs, for competitive access providers. It's a small

1 amount, but there is some projection in there.

2 Q How about for alternative local exchange  
3 companies or ALECs?

4 A I would include ALECs in the CAPs  
5 projection.

6 Q How about for cellular carriers?

7 A Yes, cellular is included.

8 Q And PCCs -- or PSCs rather -- PCS, I'm  
9 sorry.

10 A PCS, yes.

11 Q Personal communication services?

12 A Yes, PCS.

13 Q And you did indicate that all of these would  
14 be most likely in the Jacksonville LATA; is that  
15 correct?

16 A I don't recall indicating all would be in  
17 Jacksonville.

18 Q Not all of them, but the most likely  
19 occurrence of these new competitors might be in the  
20 area that's growing the most; is that correct?

21 A I would opinion that most would be in the  
22 Jacksonville area.

23 Q If an area is growing rapidly, then would it  
24 be true that anyone that comes into the area after an  
25 area code change, would not be affected by that area

1 code change?

2 A I'm sorry, I don't understand the question.

3 Q Would it be true that anyone who comes into  
4 an area and gets a telephone number after an area code  
5 has been changed, would not be affected by that  
6 change?

7 A Yes, I think that's true.

8 Q So that if an area is growing very rapidly,  
9 such as Jacksonville, and many new people are coming  
10 in, none of those people would be affected by an area  
11 code change if Jacksonville's LATA were changed?

12 A Hopefully, none of those people would be  
13 aware of that change because they did not go through  
14 that change.

15 Q So is that another way of looking at  
16 burdens, or lack of burdens, by area code changes?

17 A I don't understand your question.

18 Q Well, you've wanted to affect the fewest  
19 number of people by making an area code change, as I  
20 understand it?

21 A Yes. That's the industry guideline, yes.

22 Q So would you also be furthering that  
23 industry guideline by making an area code change in an  
24 area that is rapidly growing so that all the people  
25 who come into that area are not going to be affected

1 by the area code change?

2 A The guideline does not address that.

3 Q Is there any reason why it would not address  
4 such a philosophy?

5 A I don't know.

6 Q Were you able to determine what the exhaust  
7 dates might be for the area code in Jacksonville and  
8 the area code in Daytona if the two of them had  
9 separate area codes assigned in the near future?

10 A Yes, I did.

11 Q And could you indicate what those exhaust  
12 dates might be?

13 A Yes. That's in Late-Filed Exhibit No. 5.  
14 If Jacksonville had their own area code, it would  
15 exhaust in 2006.

16 CHAIRMAN CLARK: Just a minute, Mr. Raeza.  
17 I need to know where you are. Late-filed exhibit  
18 what?

19 WITNESS BAESA: No. 5.

20 CHAIRMAN CLARK: What is that?

21 MR. PELLEGRINI: It should be DMB-4.

22 WITNESS BAESA: I'm sorry, I don't know what  
23 number you all --

24 CHAIRMAN CLARK: That's all right. I'm sure  
25 Mr. Beatty knows what we are looking for.



1 MR. BEATTY: Page 19, DMB-4.

2 MS. WHITE: Yes. DMB-4 of Staff's, Page 19.

3 CHAIRMAN CLARK: Go ahead, Mr. Erwin. What  
4 page are we on?

5 Q (By Mr. Erwin) Yes, I haven't had a chance  
6 to look at these either, so if you could just verbally  
7 tell us what those exhaust dates might be?

8 A Sure. Jacksonville 2006. Daytona 2030.

9 MR. ERWIN: I think that's all the questions  
10 I have. Thank you.

11 CHAIRMAN CLARK: Mr. Wahlen, do you have any  
12 questions?

13 MR. WAHLEN: No, ma'am.

14 CHAIRMAN CLARK: Mr. Mathues.

15 MR. MATHUES: No, ma'am.

16 CHAIRMAN CLARK: Mr. Herron.

17 MR. HERRON: No, ma'am.

18 MS. RULE: No questions.

19 CHAIRMAN CLARK: Staff.

20 MR. PELLEGRINI: Chairman Clark, I think we  
21 should offer the exhibits we intend to use in the  
22 cross examination of Mr. Baeza at this time.

23 CHAIRMAN CLARK: That would be fine.

24 MR. PELLEGRINI: The first of these is  
25 DMB-3, which is the deposition testimony of Mr. Baeza.

1           **CHAIRMAN CLARK:** We'll mark that as  
2 Exhibit 5.

3           **MR. PELLEGRINI:** December 4, 1966. The  
4 second is DMB-4, which consists of the late-filed  
5 deposition exhibits of Mr. Baeza.

6           **CHAIRMAN CLARK:** We'll mark that as  
7 Exhibit 6.

8           **MR. PELLEGRINI:** Next is DMB-5, which is a  
9 list of area codes from Bellcore.

10          **CHAIRMAN CLARK:** That will be marked as  
11 Exhibit 7.

12          **MR. PELLEGRINI:** Next is DMB-6, proposed  
13 dialing patterns.

14          **CHAIRMAN CLARK:** That will be marked as  
15 Exhibit 8.

16          **MR. PELLEGRINI:** And last is DMB-7, 1996  
17 business customer data.

18                   (Exhibits 5 through 8 marked for  
19 identification.)

20          **CHAIRMAN CLARK:** That will be marked as  
21 Exhibit 9. Did I get that right?

22          **MR. PELLEGRINI:** Strike the last one. That  
23 was Stip 1, in fact.

24  
25

**CROSS EXAMINATION**

1  
2 **BY MR. PELLEGRINI:**

3 **Q** Good morning, Mr. Baeza. I'm Charlie  
4 Pellegrini appearing on behalf --

5 **CHAIRMAN CLARK:** Wait a minute. I'm  
6 confused.

7 **MR. PELLEGRINI:** Sorry.

8 **CHAIRMAN CLARK:** What was the last exhibit  
9 you had? I'm sorry.

10 **MR. PELLEGRINI:** I asked to strike the  
11 last -- it was, in fact, Stip 1 which -- we dealt with  
12 it in preliminary matters.

13 **CHAIRMAN CLARK:** All right. The one I have  
14 is Stipulated Exhibit 1 that was marked as -- let's  
15 see. Exhibit 2, is the excerpts.

16 **MR. PELLEGRINI:** Yes, it was marked as  
17 Exhibit 2.

18 **CHAIRMAN CLARK:** So we have only identified  
19 up to Exhibit 8, and Exhibit 8 is DMB-6.

20 **MR. PELLEGRINI:** That's correct.

21 **COMMISSIONER GARCIA:** Before you start,  
22 Charlie. Which one was Exhibit 7, Madam Chairman?

23 **CHAIRMAN CLARK:** That's DMB-5.

24 **MR. PELLEGRINI:** The list of area codes from  
25 Bellcore.

1                   **COMMISSIONER GARCIA:** Thank you, Charlie.

2 I'm sorry.

3           **Q**        **(By Mr. Pellegrini)** Mr. Baeza, let me  
4 begin by asking you to clarify with reference to  
5 DMB -- late-filed exhibit, DMB-5 -- 4, sorry.

6           **A**        Can you give me a title?

7           **Q**        Page 19. It's the exhibit which has been  
8 marked 6 for identification.

9                   **MS. WHITE:** It's Late-Filed Exhibit 5 to  
10 your deposition.

11           **Q**        **(By Mr. Pellegrini)** And I am looking at  
12 Page 19.

13           **A**        Okay. I don't have the page numbers, but I  
14 have the exhibit in front of me.

15           **Q**        It's Page 1 of 1.

16           **A**        Okay.

17           **Q**        You indicate there the exhaust years for  
18 Pensacola and Panama City and Tallahassee as -- and  
19 Daytona for that matter, as 2024, 2022, 2030,  
20 respectively?

21           **A**        Yes.

22           **Q**        Are those consistent with the ICCF  
23 guidelines?

24           **A**        No, they are not. The guidelines request  
25 that a new NPA have an eight to ten-year life.

1 Q And why is that?

2 A Changes in the telecommunications industry  
3 are such that making a longer exhaust period than the  
4 recommended eight to ten years, would cause a  
5 potential underutilization of the NXX codes in that  
6 new NPA.

7 Q In that same place, you indicate an exhaust  
8 date of 2006 for Jacksonville as well?

9 A Yes, if it had its own separate NPA.

10 Q And are you familiar with the recommendation  
11 in the ICCF recommendation that there not be an  
12 imbalance of greater than 15 years?

13 A Yes, I am.

14 CHAIRMAN CLARK: An imbalance of what?

15 MR. PELLEGRINI: Of not greater than 15  
16 years between exhaust dates.

17 CHAIRMAN CLARK: Okay.

18 Q (By Mr. Pellegrini) Would you agree that  
19 this would indicate such an imbalance that would be  
20 looked upon with disfavor?

21 A Yes, it does.

22 COMMISSIONER DEASON: I'm sorry. What  
23 imbalance are you speaking of?

24 WITNESS BAESA: The guidelines recommend  
25 that the relief areas in question don't exhaust

1 greater than 15 years apart. For example, if  
2 Jacksonville has an exhaust of 2006, we would not  
3 expect an area to exhaust greater than the year 2021,  
4 as an example.

5 MR. PELLEGRINI: Thank you for that  
6 clarification, Mr. Baeza.

7 WITNESS BAEZA: You are welcome.

8 Q (By Mr. Pellegrini) Let me turn your  
9 attention at this time to DMB-2 which was attached to  
10 your direct testimony.

11 A Yes.

12 Q For purposes of the record, would you  
13 identify -- would you explain what this document is?

14 A Okay. The document is entitled NPA Code  
15 Relief Planning Guidelines. And these are guidelines  
16 that were developed by an industry forum for the  
17 purposes of NPA relief planning.

18 Members of the industry, telecommunications  
19 members, code holders in the industry, provided input  
20 to developing this plan.

21 Q Can you explain to the Commission how that  
22 document was developed?

23 A I'm not sure I understand your question.

24 Q Well, the procedure --

25 A Let me try. Yeah. A series of meetings

1 were held by representatives of the code holders  
2 across the country; and in a series of debates and  
3 other measures, they determined these guidelines. The  
4 guidelines were drafted up by Bellcore and ratified by  
5 the industry code holders.

6 Q Turning to your direct testimony on Page 7,  
7 there you describe three alternative relief plans for  
8 the 904 area code.

9 A Yes.

10 Q Did the code holders consider any other  
11 alternative plans for relief?

12 A Yes. There were a number of plans  
13 considered and discarded for various reasons. These  
14 were the three that the industry agreed were the most  
15 reasonable for them.

16 Q Can you describe for us those plans that  
17 were discarded, and why?

18 A Yes. Okay. This is my Late-Filed Exhibit  
19 No. 2. I'm not sure of the number that it is listed  
20 with you.

21 Q Exhibit 6.

22 CHAIRMAN CLARK: Could you give us a page  
23 number, too?

24 MR. PELLEGRINI: Page 16.

25 Q (By Mr. Pellegrini) Your late-filed?



1           **A**     Okay. We looked at -- of course there are  
2 three potential ways of splitting. There's a  
3 geographical split which I'll go back to, which was  
4 the one that was recommended. There are overlays, and  
5 there are boundary realignments.

6                   Several geographic split options were  
7 reviewed: Split off the Pensacola LATA; split off the  
8 Panama City LATA; split off the Daytona LATA; a  
9 three-way split; and then a couple of intraLATA  
10 splits, Panama City and Jacksonville. And the  
11 industry discarded all of these for various reasons.  
12 Most of the rationale behind it is that they did not  
13 meet the industry guidelines and/or they created  
14 additional inconvenience for their customer body.

15                   **COMMISSIONER GARCIA:** Explain the three-way  
16 split for us, please.

17                   **WITNESS BAEZA:** A three-way split would be  
18 taking the 904 NPA and splitting it into three codes,  
19 904 plus two others.

20                   **COMMISSIONER GARCIA:** Tell me, what were the  
21 disadvantages in that type of split.

22                   **WITNESS BAEZA:** Each of the three-way  
23 splits, if you try to split them along LATA lines --  
24 and I go back to my Late-Filed Exhibit 5. I believe  
25 that was Page 19.

1           If you split it along LATA lines, there is  
2 no split that can be made that would meet the industry  
3 guideline recommendations. It was either -- it was  
4 too lengthy of a relief period in most cases.

5           **COMMISSIONER KIESLING:** What about if you  
6 split it three ways and intraLATA?

7           **WITNESS BAESA:** Three ways and including an  
8 intraLATA split?

9           **COMMISSIONER KIESLING:** Right. So if you  
10 split off the counties that are to the eastern side of  
11 the Jacksonville LATA, combine them with the Daytona  
12 LATA, and then realign the rest of the existing  
13 Jacksonville LATA counties with the Tallahassee LATA,  
14 and then split off Panama City and Pensacola. So it's  
15 a three way --

16           **WITNESS BAESA:** Okay. Let me see if I  
17 follow you. You take counties in the Jacksonville  
18 LATA that are east, combine with Daytona. And then  
19 counties west of Jacksonville and, I guess, pretty  
20 much the rest of the Pan Handle would be another NPA.  
21 That?

22           **COMMISSIONER KIESLING:** No. There would  
23 also be a three way. So that the counties west of,  
24 say, the line that runs up and down along Duval and  
25 Clay county, that dividing line, and combine the

1 western counties with the Tallahassee LATA, and then  
2 have a three-way split so that the Pensacola/Panama  
3 City LATAs were combined.

4 WITNESS BAEZA: If Pensacola and Panama City  
5 were combined, that would exhaust in 2012.

6 COMMISSIONER KIESLING: Right.

7 WITNESS BAEZA: Let's see. Tallahassee and  
8 part of Jacksonville, I don't know exactly how it  
9 would fall out, whether it would meet the guidelines  
10 or not.

11 COMMISSIONER GARCIA: Explain that split for  
12 us, Mr. Baeza, so that I can understand; or maybe  
13 Commissioner Kiesling.

14 WITNESS BAEZA: I'll try.

15 COMMISSIONER GARCIA: Maybe it would be  
16 easier if Commissioner Kiesling would explain what she  
17 means.

18 CHAIRMAN CLARK: By naming the counties,  
19 too, so --

20 COMMISSIONER KIESLING: Yeah. There is a  
21 straight up and down line that divides the eastern  
22 side and the western side of the Jacksonville LATA.  
23 And it runs in between Baker and Duval County and in  
24 between Union and Clay.

25 WITNESS BAEZA: I don't have that detail on

1 this map, but --

2 CHAIRMAN CLARK: Nor do I.

3 COMMISSIONER KIESLING: Yes, it is right up  
4 and down there. (Indicating.)

5 CHAIRMAN CLARK: Oh, that thing.

6 COMMISSIONER KIESLING: Maybe you need the  
7 colored map.

8 WITNESS BAESA: I've got it. I just don't  
9 see it.

10 MR. PELLEGRINI: It's a broken line, but  
11 it's there.

12 WITNESS BAESA: Okay. I was looking for a  
13 state line.

14 COMMISSIONER KIESLING: I thought that was  
15 the dividing line for the counties.

16 WITNESS BAESA: See, I thought it was this  
17 one here. That's a straight-line.

18 CHAIRMAN CLARK: Yeah, I think you are  
19 right. Because the counties lines are lighter. Is  
20 that dotted line an exchange line maybe?

21 WITNESS BAESA: I don't know what line we  
22 are referring to at this moment.

23 MS. WHITE: She is talking about this one.

24 WITNESS BAESA: This one here, okay.

25 COMMISSIONER KIESLING: It divides Baker

1 County from Duval County, and it divides Union County  
2 from Clay County.

3 WITNESS BAEZA: Okay, I have it. The  
4 question --

5 COMMISSIONER KIESLING: And the reason I'm  
6 asking is it seems like the growth is along the  
7 coastal area on the east coast; Jacksonville, Daytona,  
8 St. Augustine, that area. And we could combine then  
9 the rural counties of the Jacksonville LATA with the  
10 more rural counties of the Tallahassee LATA so that  
11 they wouldn't be exhausted as soon.

12 WITNESS BAEZA: Okay. Let me recapture that  
13 and make sure I've got it all. Pensacola and Panama  
14 City would get a new NPA.

15 COMMISSIONER KIESLING: Right.

16 WITNESS BAEZA: Tallahassee and West  
17 Jacksonville LATA would continue with the 904 NPA.

18 COMMISSIONER KIESLING: Or any number. I  
19 don't care who gets which numbers. I just want to  
20 know --

21 WITNESS BAEZA: And then, finally, Eastern  
22 Jacksonville and Daytona would have an NPA.

23 COMMISSIONER KIESLING: Right.

24 WITNESS BAEZA: Of course, within the  
25 Jacksonville LATA, we would have to go to 10-digit

1 dialing, I would assume, across these boundary areas.  
2 I'm not sure exactly how many codes we would have to  
3 give up in order to allow seven-digit dialing, or if  
4 we would have to go to ten-digit dialing. I would  
5 suspect we would have to go to ten-digit dialing at  
6 that point.

7           **COMMISSIONER KIESLING:** Okay. I am not  
8 following that. All I want to know are what the  
9 relief dates would be approximately.

10           **WITNESS BAEZA:** Oh, I don't know the relief  
11 dates. I could give you a guesstimate based on --  
12 well, the relief date for Jacksonville by itself would  
13 be 2006. And Daytona by itself would be 2030. But,  
14 obviously, we are not asking either of those.  
15 Tallahassee by itself would be 2056. So it's going to  
16 be somewhat greater than 2006 and somewhat less than  
17 2030 -- 2056. I would guess somewhere around  
18 2030/2035. And it's strictly a guess at this point.

19           **COMMISSIONER KIESLING:** All right. I  
20 recognize that it's a guess because the figures that  
21 are on Page 19, which was your Late-Filed Deposition  
22 Exhibit No. 5 --

23           **WITNESS BAEZA:** Yes.

24           **COMMISSIONER KIESLING:** -- none of those  
25 correlate essentially.



1           **WITNESS BAEZA:** No.

2           **COMMISSIONER KIESLING:** Okay. What  
3 information would you need to be able to figure that?  
4 Would you need it by county so you could figure out  
5 which counties were going on which side of the line?

6           **WITNESS BAEZA:** Yes. We would have to look  
7 at the growth by county.

8           **COMMISSIONER KIESLING:** And I guess I looked  
9 through a couple of times the exhibit, DMB-2, attached  
10 to your testimony which was the NPA relief planning  
11 guidelines, and there's nothing in there that requires  
12 that it be split on LATA lines.

13           **WITNESS BAEZA:** No, that's true.

14           **COMMISSIONER KIESLING:** Okay. Thank you.

15           **COMMISSIONER GARCIA:** Perhaps I missed it.  
16 What were the ballparks? You said they were  
17 estimates?

18           **COMMISSIONER KIESLING:** No, he said they  
19 were guesses.

20           **COMMISSIONER GARCIA:** Okay. And what were  
21 they?

22           **WITNESS BAEZA:** Well, based on Jacksonville  
23 by itself being 2006, and Tallahassee by itself being  
24 2056, I would guess that it would be somewhere in the  
25 2030/2035 exhaust date.



1           **COMMISSIONER GARCIA:** All three of them you  
2 mean?

3           **WITNESS BAESA:** For the Tallahassee, West  
4 Jax area.

5           **COMMISSIONER KIESLING:** But let me just ask  
6 you one more thing. Looking at the same Page 19, if  
7 the Daytona is 2030 --

8           **WITNESS BAESA:** And Jacksonville 2006, it  
9 would fall somewhere between the two. Probably 2020  
10 perhaps.

11           **COMMISSIONER KIESLING:** Okay, thank you.

12           **MR. ERWIN:** Excuse me. Chairman Clark, I  
13 hate to do this, but I would think I would like to  
14 move to strike the witness's testimony about guesses,  
15 anything that relates to guesses. I just would hate  
16 to have, in the record of the proceeding, information  
17 which amounts to the category of guesswork with the  
18 danger that somebody might want to make a decision  
19 based on the guesswork. I don't object to a  
20 late-filed exhibit or anything that might make the  
21 thing more concrete than a guess.

22           **CHAIRMAN CLARK:** Commissioner Kiesling,  
23 would you like to have a late-filed exhibit which  
24 gives that information?

25           **COMMISSIONER KIESLING:** Yes, I think I

1 would.

2 How cumbersome is it to calculate that?

3 WITNESS BAEZA: It would be fairly  
4 cumbersome.

5 COMMISSIONER KIESLING: What is fairly  
6 cumbersome? Can you do it?

7 WITNESS BAEZA: Yes, we can do it. It will  
8 take a few days.

9 COMMISSIONER KIESLING: Oh, okay. Yeah, I  
10 would like to know what that would be.

11 CHAIRMAN CLARK: And what you are asking  
12 for --

13 COMMISSIONER KIESLING: Just what the  
14 exhaust dates would be were we to divide off the east  
15 side of the Jacksonville LATA, combine it with the  
16 Daytona LATA, and then put the west side of the  
17 Jacksonville LATA with Tallahassee as a separate area  
18 code. And then Panama City and Pensacola as a  
19 separate area code.

20 CHAIRMAN CLARK: Is there a clear  
21 understanding as to where you want those divisions to  
22 be?

23 COMMISSIONER KIESLING: I thought there was.  
24 The witness knew.

25 WITNESS BAEZA: I think I understand it.

1           **CHAIRMAN CLARK:** As I understand it, it  
2 would be a split of the Jacksonville LATA along the  
3 boundary of Baker and Union County with -- I guess  
4 it's Duval and Clay; is that correct?

5           **COMMISSIONER KIESLING:** That's what it  
6 looked like to me.

7           **CHAIRMAN CLARK:** Mr. Baeza, do you  
8 understand what is being asked of you?

9           **WITNESS BAEZA:** Yes, I do.

10           **CHAIRMAN CLARK:** We will label that  
11 Exhibit 9.

12                   (Late-Filed Exhibit 9 identified.)

13           **COMMISSIONER GARCIA:** Before that's done,  
14 let me ask Mr. Baeza a question, and if he can answer  
15 the question. Is there an added expense by doing --  
16 by this type of break up? If you break up a LATA, are  
17 we talking about any additional expense for the  
18 company, or would you know that?

19           **WITNESS BAEZA:** I don't think there would be  
20 a very significant expense.

21           **COMMISSIONER GARCIA:** That's good then.

22           **MS. RULE:** Commissioners, I'm not sure if  
23 this is the appropriate time, but regarding the  
24 late-filed, there was some discussion by the witness  
25 about whether the LATA division would cause or not

1 cause ten-digit dialing. There it sounded like two  
2 options of the LATAs divide something. One was assume  
3 ten-digit dialing which would extend the exhaust date,  
4 and the other would be seven-digit dialing but give up  
5 some NXXs.

6 In terms of the late-filed exhibit, I would  
7 like that it be divided into those two options, and  
8 both options be shown. Or if the witness is only  
9 capable of doing one sort of calculation at this  
10 time --

11 **CHAIRMAN CLARK:** What two options?

12 **MS. RULE:** Give up some NXXs which would  
13 presumably then cause an earlier exhaust, but allow  
14 you to keep seven-digit dialing. Or institute  
15 ten-digit dialing which would extend the exhaust time,  
16 but, of course, require a different dialing pattern.

17 **COMMISSIONER KIESLING:** Chairman Clark, if  
18 the witness can include that information without it  
19 being unduly burdensome, then I think that's all good  
20 information.

21 **CHAIRMAN CLARK:** Let me ask a question of  
22 you, Commissioner Kiesling. Is it your desire that  
23 they explore that kind of split and give the exhaust  
24 dates any additional costs or just any caveats that  
25 they would give to that kind of split that they do

1 with the other splits? In other words, analyze it the  
2 same way you have analyzed the other splits. And I  
3 think that would take care of what you have requested.

4 MS. RULE: I believe it would.

5 COMMISSIONER KIESLING: Yes. And, I mean,  
6 the reason I'm asking that is that when I look at the  
7 three options that we have now, somebody is going to  
8 have an exhaust date of 2002, depending on who keeps  
9 the area code and who gets a new one, and that just  
10 doesn't seem like a whole lot of relief to me based on  
11 the growth patterns that were reflected in other  
12 exhibits in this proceeding. So I'm trying to find a  
13 way that we can have greater relief so that people  
14 don't have to change twice.

15 CHAIRMAN CLARK: Mr. Baeza, if you would,  
16 for the Late-Filed Exhibit 9, it would be an analysis  
17 of a split of area codes along the lines suggested by  
18 Commissioner Kiesling.

19 WITNESS BAEZA: Yes.

20 CHAIRMAN CLARK: And I would ask you to  
21 include any other -- the same kind of analysis you did  
22 with respect to the other area code splits that you  
23 have proposed.

24 WITNESS BAEZA: Yes, I'd be happy to do  
25 that.

1           **CHAIRMAN CLARK:** And also, if you would  
2 include in that any concerns that present themselves  
3 because of BellSouth's current prohibition of  
4 providing -- if it affects at all the current  
5 prohibition or the current prohibition affects at all  
6 the LATA split which has to do with prohibition  
7 against interLATA.

8           **COMMISSIONER GARCIA:** And any side effects  
9 of that, I would appreciate also.

10          **CHAIRMAN CLARK:** I'm not sure it would,  
11 but --

12          **WITNESS BAEZA:** Okay.

13          **COMMISSIONER GARCIA:** But if it creates  
14 ten-digit dialing like Ms. Rule stated, those are  
15 things that obviously would play into whatever we do.

16          **WITNESS BAEZA:** We'll try to identify  
17 everything that we can about it.

18          **CHAIRMAN CLARK:** Thank you.

19          **COMMISSIONER DEASON:** I need to ask a  
20 clarifying question.

21          **WITNESS BAEZA:** Sure.

22          **COMMISSIONER DEASON:** Commissioner Kiesling  
23 indicated that under the proposals, one area would  
24 have an exhaust date of 2002. And I think you agreed  
25 with that. Now, that's assuming just the two-way

1 split; is that correct?

2           **WITNESS BAESA:** Yes. Currently, Split No. 1  
3 has the Jacksonville and Daytona LATAs retaining 904.  
4 That NPA would exhaust approximately September 2002.  
5 However, that NPA had not undergone a change at that  
6 point, therefore, the customers in that LATA have not  
7 been changed. So that is correct, 2002 would be the  
8 new exhaust for the 904 code.

9           **COMMISSIONER DEASON:** But the fact remains  
10 that when we are going through a disruption of  
11 somebody's area code, there's still going to be  
12 another disruption under Proposal 1 in 2002.

13           **WITNESS BAESA:** They'll be the first  
14 disruption for those customers in 2002.

15           **COMMISSIONER DEASON:** Now, under the  
16 three-way split, that being -- that was proposed, I  
17 believe, in the testimony of Witness Bowden, I  
18 believe. Are you familiar with that?

19           **WITNESS BAESA:** No, I'm not.

20           **COMMISSIONER DEASON:** Well, I think on cross  
21 examination you indicated that if the Jacksonville  
22 LATA were given an area code unto itself, the exhaust  
23 date would be 2006.

24           **WITNESS BAESA:** Yes.

25           **COMMISSIONER DEASON:** Okay. Thank you.



1           **CHAIRMAN CLARK:** Mr. Pellegrini.

2           **Q**        **(By Mr. Pellegrini)** Mr. Baeza, the three  
3 options proposed by the industry, each one of them  
4 proposed geographic splits along LATA boundaries?

5           **A**        Yes, that's correct.

6           **Q**        Can you explain why that was, or why that  
7 is?

8           **A**        LATA boundaries by their nature have  
9 communities of interest associated with it. The  
10 industry wishes to maintain those communities of  
11 interest whenever possible.

12          **Q**        Can you represent how the industry felt, as  
13 a matter of consensus, about splits along other lines  
14 as has been proposed here this morning?

15          **A**        In general, the industry does not like to  
16 split along what they consider unnatural boundaries.  
17 There are no technological considerations associated  
18 with that. There are questions of customer  
19 convenience and customer confusion.

20          **Q**        Have you had an opportunity, Mr. Baeza, to  
21 read AT&T's statement of basic position?

22          **A**        No, I have not.

23                   **MR. PELLEGRINI:** Chairman Clark, can we give  
24 the witness an opportunity to do that?

25                   **WITNESS BAEZA:** I just got one here. Okay.

1           Q        (By Mr. Pellegrini) Can I ask you to  
2 respond to the concerns which AT&T raises in that  
3 statement?

4           A        Yes. There is a concern that it would be  
5 split not just across LATA boundaries but, if I can  
6 interpret this, across wire center boundaries. And if  
7 that were the case, that would create some  
8 technological challenges.

9           Q        Can you explain that further? How serious  
10 would the challenges be?

11          A        I don't know at this point. I'm not even  
12 sure if it's possible right now. If I were to have 2  
13 NPAs in one wire center, yes, it could probably be  
14 done. It would create some technological problems,  
15 and we probably would have to protect some codes in  
16 order to make it work.

17          Q        But your testimony is that it is feasible?

18          A        To the extent that I can answer today, it  
19 appears that it would be feasible, yes.

20          Q        Can you address those concerns in further  
21 detail in your late-filed exhibit if, of course, they  
22 arise in your analysis?

23          A        Yeah. Let me make sure I understand the  
24 question here. Let me just take another moment and  
25 reread this.

1           Yeah, I will try to address it. A question  
2 comes in my mind whether we can adequately support  
3 intraLATA presubscription along with this. And I'll  
4 have to find out whether it's even feasible --  
5 (simultaneous conversation.)

6           Q     What I'm talking about specifically are the  
7 concerns which AT&T raises in Sentences 3 and 4  
8 specifically?

9           A     Sentence 3 and 4, yes. And that's what I'm  
10 talking about. When they talk about, "In addition, to  
11 the extent that a customer has an interLATA carrier  
12 that is different from such customer's intraLATA  
13 carrier," when I say "intraLATA presubscription,"  
14 that's what I was talking about.

15          Q     Fine. Let me turn your attention back to  
16 Page 16.

17          A     Okay. What is Page 16?

18          Q     In Late-Filed DMB-2 where you list the  
19 options to consider it and discard it?

20          A     Yes, I have it.

21          Q     Under Other Boundary Realignment --

22          A     Yes.

23          Q     Was one option considered under boundary  
24 realignments, one which would move the Daytona or LATA  
25 to Gainesville, to the Gainesville LATA?

1           **A**     Yeah, that was considered at one time. When  
2 the 352 NPA was created -- and I don't recall the  
3 exact dates, but it is in effect today -- the industry  
4 consensus at the time was not to bring Daytona into  
5 the 352 NPA. And now, if we were to redistrict and  
6 bring the Daytona LATA into the 352 NPA, we now have  
7 code conflicts, so there would be some number changes  
8 for some portion of the customers, either in 352 or in  
9 the Daytona LATA.

10           **Q**     Do you mean ten-digit number changes?

11           **A**     Yes.

12           **COMMISSIONER DEASON:** Did Daytona being  
13 included in the 352 meet the guidelines at the time?

14           **WITNESS BAEZA:** To my recollection, yes.

15           **COMMISSIONER DEASON:** Why was it not done  
16 then?

17           **WITNESS BAEZA:** The industry did not wish to  
18 include Daytona in 352. The industry felt at the time  
19 that Daytona had a greater community of interest with  
20 the Jacksonville LATA.

21           **COMMISSIONER DEASON:** So you look at  
22 communities of interest between LATAs?

23           **WITNESS BAEZA:** Pardon?

24           **COMMISSIONER DEASON:** You look at  
25 communities of interest between LATAs?

1           **WITNESS BAEZA:** I don't personally. Various  
2 members of industry have interest in that sort of  
3 thing, yes.

4           **Q**        **(By Mr. Pellegrini)** Mr. Baeza, turn please  
5 to Page 4 of your direct testimony. There on Lines 4,  
6 5, and 6, you speak about growth rates for 1996  
7 through 1998; is that correct?

8           **A**        Yes.

9           **Q**        I think earlier you said, earlier this  
10 morning that is, you said those growth rates do  
11 include the impacts of the CAPs which would include  
12 ALECs, cellular and PSCs; is that correct?

13          **A**        No, CAPs is separate, but also included are  
14 the cellular and pager companies.

15          **Q**        I believe I read your deposition testimony  
16 on Page 13 actually to indicate that you had not --  
17 that these growth rates did not include the impacts of  
18 ALECs; is that correct?

19          **A**        That may be correct. I think I was in error  
20 when I said that. The question, as it was posed to  
21 me, I answered to the extent that I knew. And after  
22 seeing the current COCUS report, I realized that there  
23 was a line for the CAP codes.

24          **Q**        Well, let's be certain. Tell us once again  
25 then what these projected growth rates include and

1 exclude?

2       A     Okay. They include normal POTS growth,  
3 cellular, DID and CENTREX, pager codes, PCS codes, CAP  
4 codes -- and as I mentioned already, regular codes.

5       Q     Have you some way to isolate each one of  
6 those impacts, if not now, by means of a late-filed  
7 exhibit?

8       A     What we have is the central office code  
9 utilization survey that breaks it out by those  
10 categories.

11       Q     Can you tell us a little bit more about  
12 that? What is the use of that?

13       A     Okay. This is a survey which is requested  
14 on an annual basis. And I believe in Exhibit 2, the  
15 NPA Code Relief Guidelines --

16       Q     Is this the COCUS survey?

17       A     Yes. Yes, it is. It talks about that. So  
18 this is requested of the industry code holders, the  
19 forecast of code utilization by the industry code  
20 holders, and it's compiled by us.

21       Q     Are you familiar with the number of code  
22 holders who actually responded to the COCUS survey?

23       A     No, I'm sorry, I don't know that number.

24       Q     And did I understand you to say that those  
25 responses include projections as well as current

1 usage?

2 A Yes.

3 Q By the various code holders?

4 A Yes.

5 Q The usage indicator for 1996, that is six  
6 codes per month?

7 A Yes.

8 Q Is that -- what is that? Is that an actual  
9 rate for 1996? I mean, has the rate for 1996 been  
10 constant at six?

11 A No, it will vary from month-to-month. This  
12 is an average, a projected average for 1996.

13 Q Does the rate trend at all through 1996?

14 A It trends at about six per month.

15 Q I don't mean that exactly. I mean, from  
16 January through the present time, is there a trend in  
17 any direction: upwards, downwards, or is it  
18 essentially --

19 A Oh, I'm sorry, yes. It's starting to --  
20 It's moving upward. The trend is upward from six to  
21 seven, from seven to eight, yes.

22 Q Would then that rationalize why you project  
23 and increase growth rates in 1997 and 1998?

24 A Yes, that's the rationale.

25 Q Mr. Baeza, do you know the distribution of



1 the six codes for each one of the LATAs in the 904  
2 area code?

3 A The distribution of the what?

4 Q Central office codes.

5 A Do I know the distribution of them?

6 Q Oh, I'm sorry. Do you know the distribution  
7 of the six codes which the 19 -- the six 1996 codes?  
8 Do you know the distribution of those codes by LATA?

9 A That's six per month. I'm sure we could get  
10 that information. But, no, I don't know it off the  
11 top of my head.

12 Q Then would you supply that information as a  
13 late-filed exhibit?

14 A Sure. So you want all the codes that have  
15 been distributed in 1996 by LATA?

16 Q By LATA, yes.

17 A All right.

18 COMMISSIONER GARCIA: Doesn't that just tend  
19 to show where they are growing?

20 WITNESS BAEZA: I'm sorry?

21 COMMISSIONER GARCIA: Wouldn't that just  
22 simply tend to show where they are growing?

23 WITNESS BAEZA: Well, it would show where  
24 they were requested. You can infer that they are  
25 growing from that.

1           **CHAIRMAN CLARK:** We'll mark that as  
2 Late-Filed Exhibit No. 10, and it's all codes that  
3 have been distributed in the 1996, divided by LATA.  
4           (Late-Filed Exhibit 10 identified.)

5           **WITNESS BAEZA:** Yes.

6           **CHAIRMAN CLARK:** Okay.

7           **Q**        (By Mr. Pellegrini) Mr. Baeza, are you  
8 familiar with the programming concerns associated with  
9 PBXs, key systems, dialing lists, et cetera, when a  
10 new area code is implemented?

11          **A**        Yes, I am.

12          **Q**        Tell us something about that, please. What  
13 are these concerns? Begin with PBXs.

14          **A**        Well, this will apply to all of them  
15 actually. They have to have a table entry that tells  
16 the PBX about the new NPA. Prior to 1995 there were  
17 no interchangeable NPA codes in the United States. An  
18 interchangeable NPA code is a code that has something  
19 other than 0 or 1 as the second digit.

20                 Starting sometime in 1995 -- and it escapes  
21 me the exact date -- we introduced the first NPA code  
22 with an interchangeable NPA. In other words, a digit  
23 such as 3 or 4 as the second digit. And there are  
24 PBXs throughout the world that have been hard coded in  
25 such a way that they cannot recognize a digit other

1 than 0 or 1 as the second digit and, therefore, we are  
2 not able to dial the new NPA.

3 COMMISSIONER GARCIA: But the main concern  
4 there is in the North American dialing pattern,  
5 correct?

6 WITNESS BAEZA: Yes.

7 COMMISSIONER GARCIA: And even in that  
8 pattern, that's been established since '84 that this  
9 changed, correct?

10 WITNESS BAEZA: Yes. It's been well  
11 established, but because some of the older PBXs were  
12 hard coded and required substantial rearrangement to  
13 change them, many PBX owners elected not to do it  
14 until it became absolutely necessary. In fact, many  
15 of them didn't do it even after it was necessary, so  
16 they encountered problems.

17 COMMISSIONER GARCIA: Right. So that would  
18 mean they couldn't make those calls --

19 WITNESS BAEZA: That's correct.

20 COMMISSIONER GARCIA: -- to certain areas  
21 with new area codes?

22 WITNESS BAEZA: It would block. The PBX  
23 would deny it.

24 Q (By Mr. Pellegrini) Mr. Baeza, is it not  
25 true that any customer with a PBX or key system would

1 have to do a reprogramming no matter if they wind up  
2 in the new area code or the changed area code?

3 A That's correct.

4 Q Would there be a significant difference were  
5 the PBX to be in one or the other?

6 A No, I don't think so. I think it would be  
7 pretty much the same table entry type of format.

8 COMMISSIONER GARCIA: Just to clarify. And  
9 even if we didn't change the area code in this part of  
10 the state, these PBX systems, because of the rapid  
11 change across the nation, are pretty much becoming  
12 completely, if not totally -- I mean, totally  
13 obsolete.

14 WITNESS BAEZA: Yeah, they would have to  
15 recognize the new NPA whether it's within this LATA or  
16 outside this LATA.

17 COMMISSIONER GARCIA: No, but I just wanted  
18 to get to that because when we did the area code split  
19 in South Florida, a lot of people said, "all this  
20 equipment, I have got to throw out. This equipment is  
21 pretty much useless, the older equipment, because the  
22 new area codes without the 0 or 1 are going across the  
23 entire nation" --

24 WITNESS BAEZA: Right.

25 COMMISSIONER GARCIA: Major cities are being

1 split up within the South.

2           **WITNESS BAEZA:** Exactly. Yes, because they  
3 are hard coded in them. They don't have that  
4 flexibility, that's correct.

5           **Q** (By Mr. Pellegrini) Mr. Baeza, is it true  
6 that once a PBX has been modified to accept an  
7 interchangeable NPA that further modifications are  
8 unnecessary to accommodate further NPAs?

9           **A** Yeah. I can't categorically say it. If the  
10 engineer did a good job in making the fix, then, yes,  
11 that's true.

12           **Q** The work once done is done.

13           **A** Once done, it should have anticipated any  
14 further changes, yes.

15           **Q** The only additional work would be to add the  
16 additional NPA to the table; is that correct?

17           **A** Yes.

18           **Q** Mr. Baeza, possibly with the help of the  
19 Exhibit Stip-1 which has been identified as Exhibit 2  
20 in this proceeding, could you tell me how many  
21 business customers there are in the Jacksonville and  
22 Daytona LATAs?

23           **A** No, I cannot.

24           **Q** Is that information possible in some way?

25           **A** How many business customers in the

1 Jacksonville and Daytona LATA?

2 Q Yes.

3 A Yeah, I think we could -- it's possible to  
4 get that, yes.

5 Q Is that somehow indicated in the column  
6 headed Business Access Lines?

7 A Yes. I believe so, yes. I didn't put this  
8 together.

9 Q I realize that. Then could you then supply  
10 us with a late-filed exhibit which would show us this  
11 information, which is the number of business customers  
12 in those two LATAs?

13 A In Jacksonville and in Daytona?

14 Q And Daytona, uh-huh.

15 A Okay. Let's define "business" here. For  
16 our purposes we have complex business and small  
17 business. I presume you want anyone that we consider  
18 a business customer.

19 Q I don't think it's necessary for you to make  
20 that kind of distinction. We just simply would like  
21 you to rationalize the number that's shown in this  
22 exhibit, the 1,717,884 access lines.

23 A Okay.

24 Q Businesses generally.

25 A Yeah. Do you know for what area this is?

1 Is this for all of Florida or for North Florida.

2 Q Well, this number is for the entire state.

3 A Okay. But you want Jacksonville and  
4 Daytona?

5 Q For the Jacksonville and Daytona.

6 A Okay.

7 MR. BEATTY: Madam Chair, I'm not at all  
8 sure, but possibly the information contained on this  
9 document is pertaining to access lines and not  
10 customers. And if it is access lines, then I guess I  
11 would need to inquire of the witness as to whether or  
12 not he could provide that kind of information by  
13 customer rather than access lines.

14 MR. PELLEGRINI: Now, we would require that  
15 information only on the basis of access lines.

16 MR. BEATTY: Okay. Thank you.

17 Q (By Mr. Pellegrini) Let me modify that  
18 request. Provide that information for all of the  
19 LATAs in 904; Panama City, Pensacola, Jacksonville,  
20 Daytona, Tallahassee.

21 A Okay. We don't have Tallahassee.

22 Q Sorry, yes. Just the four that I mentioned.

23 CHAIRMAN CLARK: Mr. Pellegrini?

24 MR. PELLEGRINI: Yes.

25 CHAIRMAN CLARK: You are asking for a



1 late-filed exhibit?

2 MR. PELLEGRINI: Yes.

3 CHAIRMAN CLARK: What is the title of that  
4 late-filed exhibit?

5 MR. PELLEGRINI: The title of that exhibit  
6 will be Business Access Lines in the LATA in the  
7 Pensacola, Panama City, Jacksonville, and Daytona  
8 LATAs.

9 COMMISSIONER GARCIA: Mr. Pellegrini,  
10 wouldn't it be logical to go ahead and ask for  
11 residentials since they are already doing the  
12 calculation, just to get an idea how it breaks out.

13 MR. PELLEGRINI: Sure. Sure.

14 WITNESS BAEZA: I'm sorry, I didn't hear.

15 MR. PELLEGRINI: Commissioner Garcia has  
16 asked that you add to that analysis the residential  
17 access lines as well.

18 WITNESS BAEZA: Oh, okay.

19 CHAIRMAN CLARK: I'm sorry, you want access  
20 lines identified as business or residential, and you  
21 want it by LATA, categorized by LATA?

22 MR. PELLEGRINI: Yes.

23 CHAIRMAN CLARK: Okay.

24 MR. ERWIN: Are these just going to be  
25 BellSouth customer's access lines, or will he do the

1 addition to add in other companies on the exhibit?

2           **CHAIRMAN CLARK:** Well, I don't know that he  
3 has that information. As I understood Staff's  
4 request, it's for those areas BellSouth serves.

5           **MR. PELLEGRINI:** We can pursue that inquiry  
6 with the other companies. So this would be limited to  
7 BellSouth access lines.

8           **WITNESS BAEZA:** Thank you.

9           **MR. PELLEGRINI:** I'm sorry, Chairman Clark,  
10 I didn't catch the number assigned.

11           **CHAIRMAN CLARK:** I have that as Exhibit 11.

12                   (Late-Filed Exhibit 11 identified.)

13           **Q**        (By Mr. Pellegrini) Mr. Baeza, in your  
14 deposition, you discuss the dialing patterns that  
15 customers would have to use in the new and old area  
16 codes. Do you recall that?

17           **A**        Yes, I do.

18           **Q**        Could you turn to exhibit marked  
19 DMB ---identified as DMB-6 and marked Exhibit No. 8?

20           **A**        Yes. Yes, I have it.

21           **Q**        Are the dialing patterns listed in this  
22 exhibit those that BellSouth proposes to implement?

23           **A**        I'm sorry, I have got the wrong exhibit.

24           **Q**        All right. Take a moment to get the right  
25 one. Are you clear as to which one I'm asking?

1           **MR. BEATTY:** Mr. Pellegrini, could you  
2 identify, for the sake of ease, the document in  
3 question?

4           **MR. PELLEGRINI:** Yeah. It's entitled  
5 Proposed Dialing Patterns for the 904 and New Area  
6 Codes. It's the exhibit which has been marked No. 8.

7           **WITNESS BAEZA:** Yes, I have it.

8           **Q** My question is: Do these dialing patterns  
9 listed in this exhibit represent those that BellSouth  
10 propose to implement?

11          **A** Yes.

12          **Q** And are these patterns different from the  
13 dialing patterns used by customers today?

14          **A** No, they're not.

15          **Q** There are some seven-digit numbers between  
16 ALLTEL's territory and Gainesville, are there not?

17          **A** Yes, between Gainesville and -- yes, I  
18 believe so.

19          **Q** Isn't that a difference?

20          **A** No. There are some protected areas that the  
21 Commission has requested in the past -- or ordered, I  
22 should say, in the past that they remain seven digit  
23 across that so we protect those codes. I don't have  
24 the codes at my fingertips for that area, but I would  
25 say that's true --

1 Q What do you mean -- I'm sorry, finish.

2 A -- in general. I would say that would be  
3 true in general across the United States.

4 Q What is meant by protecting codes?

5 A In the case of two different NPAs, ideally  
6 you want to have all 792 NXXs available for assignment  
7 within each NPA.

8 If we have a community of interest, for  
9 example, across NPA boundaries, it may be ordered by  
10 the Commission that we maintain seven-digit dialing  
11 across that NPA boundary, which requires us to not use  
12 that code in both NPAs. But use it only one time and  
13 protect it.

14 CHAIRMAN CLARK: Has that been done in  
15 Florida?

16 WITNESS BAEZA: Yes, that has.

17 CHAIRMAN CLARK: Where in Florida?

18 WITNESS BAEZA: There is an area in  
19 Southeast Florida between the -- it's now 561. It was  
20 407 area code and the 954 area code. I think it's  
21 about four routes that have -- or four codes that are  
22 protected.

23 CHAIRMAN CLARK: You say the Commission did  
24 that?

25 WITNESS BAEZA: That's my understanding,

1 yes.

2           **CHAIRMAN CLARK:** Did that area code split  
3 come before us?

4           **MR. PELLEGRINI:** I'm sorry, Staff didn't  
5 hear the question.

6           **CHAIRMAN CLARK:** I just don't remember even  
7 dealing with the issue of protected area codes. Was  
8 it because it was EAS or something?

9           **WITNESS BAEZA:** Yes, I believe it was an EAS  
10 area.

11           **CHAIRMAN CLARK:** Oh, okay.

12           **MR. PELLEGRINI:** The answer is no.

13           **CHAIRMAN CLARK:** Excuse me?

14           **MR. PELLEGRINI:** 352 did not come before  
15 this Commission.

16           **CHAIRMAN CLARK:** Is it something that when  
17 you implemented the area code change down there, you  
18 protected them because they were required to be  
19 extended area service and have seven-digit dialing?  
20 Is that it?

21           **WITNESS BAEZA:** Yes.

22           **CHAIRMAN CLARK:** Okay, Mr. Pellegrini.

23           **Q**        **(By Mr. Pellegrini)** Mr. Baeza, let me ask  
24 you this. You state that protected codes -- I think  
25 you did, stated that protected codes could not be used

1 elsewhere, but isn't that true?

2 A Yes.

3 Q Isn't it really the case that they can be  
4 used elsewhere, but they must be carefully assigned?  
5 For example, a protected code in 352 ALLTEL -- into  
6 352, could that not be used at some distant point  
7 within the 352 area?

8 A Yes, that is true. By carefully picking  
9 where you use it, you could possibly reuse it. And I  
10 have to emphasize "possibly," because it's very  
11 dependent on the routes that are available.

12 Q In the specific cases involved in this  
13 proceeding, that is Quincy, Tallahassee, and ALLTEL  
14 into 352, are the inefficiencies significant if the  
15 protected numbers were not to be used at all?

16 A If no protected codes were to be used, would  
17 the inefficiencies be significant?

18 Q Yes.

19 A That would be a matter of opinion. What  
20 would occur is ten-digit dialing instead of  
21 seven-digit dialing. Is that significant? In my mind  
22 it's not, but it's strictly my opinion that it would  
23 be trivial to do that.

24 Q Just, I think, a final question or two,  
25 Mr. Baeza. In your direct testimony on Page 8 --

1           **A**    Page 8?

2           **Q**    Yeah, yeah, yes. Line 6 and 7.

3           **A**    Yes, sir.

4           **Q**    There you say the plan should be implemented  
5 to allow permissive dialing to begin within three to  
6 six months of this Commission's final decision,  
7 correct?

8           **A**    Yes, sir.

9           **Q**    Why so long a period?

10          **A**    Oh. There is a lot of translations work  
11 that has to be done. Essentially, once you start  
12 permissive dialing, you've essentially done the work  
13 for the NPA code. So for BellSouth, and I'm sure for  
14 all the other Telcos, they have to do a lot of  
15 translations work to ensure that everything is tested  
16 out, everything works according to plan, and that  
17 someone can dial that new NPA and reach the area they  
18 were expecting to reach.

19          **Q**    And that foundation work would require a  
20 minimum of three months and a maximum of six months?  
21 Is that what your testimony is?

22          **A**    Yes. Ideally, we'd like more time. But if  
23 necessary, we could do it in the shorter interval.

24          **Q**    But three months is the minimum period of  
25 time required?



1           **A**     Yes.

2           **Q**     Then what would be the earliest month in  
3 which permissive dialing might begin?

4           **A**     Well, if we were so ordered today, we would  
5 probably look for a late February, mid-March as our  
6 earliest date.

7           **MR. PELLEGRINI:** Thank you, Mr. Baeza. That  
8 concludes our questions.

9           **WITNESS BAEZA:** Thank you.

10          **CHAIRMAN CLARK:** Any questions,  
11 Commissioners?

12          **COMMISSIONER DEASON:** I have a few questions  
13 that -- (Simultaneous conversation.)

14          **MR. ERWIN:** Commissioner Clark, I would like  
15 to request permission to ask two or three more  
16 questions based on Commissioner Deason's questioning  
17 and the Staff, if that's permissible.

18          **CHAIRMAN CLARK:** I'm going to let  
19 Commissioner Deason go first, and then we'll turn to  
20 you.

21          **COMMISSIONER DEASON:** Mr. Baeza, I'm curious  
22 as to the status of the guidelines. They are  
23 entitled, Guidelines. What does that mean to you,  
24 Guidelines?

25          **WITNESS BAEZA:** Well, guidelines to me mean

1 that these are recommendations that should be  
2 followed. If extenuating circumstances dictate  
3 otherwise and the extenuating circumstances were  
4 reasonable and just, then we could deviate from these  
5 guidelines.

6 COMMISSIONER DEASON: So the Commission is  
7 not bound by the guidelines; is that correct?

8 WITNESS BAEZA: No, I would say the  
9 Commission is not bound by the guidelines. However,  
10 the keeper of the NPA codes must agree with our  
11 proposed utilization or they would not issue us the  
12 new NPA.

13 COMMISSIONER DEASON: So while we are not  
14 bound, the ultimate authority is the North American  
15 numbering plan administrator?

16 WITNESS BAEZA: Yes, sir, that's correct.

17 COMMISSIONER DEASON: And who is that?

18 WITNESS BAEZA: Currently, that's Bellcore.

19 COMMISSIONER DEASON: How often do they  
20 reject numbering plan changes that have been approved  
21 by a state Commission?

22 WITNESS BAEZA: I have no information on  
23 that. I don't know. However, they have rejected  
24 plans. I don't know if they've rejected plans that  
25 have been ordered by a PSC, but they have rejected

1 plans that have been agreed to by the industry.

2           **COMMISSIONER DEASON:** I'm looking at the  
3 plan, and I'm looking at Page 214, and I'm looking in  
4 Section 2, Assumptions and Constraints, and there's  
5 one there -- well, it's labeled 2.5. I think you made  
6 reference to that in your testimony about a change.

7           **WITNESS BAEZA:** Yes, sir.

8           **COMMISSIONER DEASON:** -- lasting eight to 10  
9 years. Do you recall that?

10          **WITNESS BAEZA:** Yes, sir.

11          **COMMISSIONER DEASON:** Do you interpret that  
12 to mean that that's a minimum amount, or that you  
13 should try to plan these so where there's one change  
14 you should have another change in 8 to 10 years?

15          **WITNESS BAEZA:** Yes, we interpret it to mean  
16 that you shouldn't change --

17          **COMMISSIONER DEASON:** More often than 8 to  
18 10 years?

19          **WITNESS BAEZA:** Yes.

20          **COMMISSIONER DEASON:** It's all right, then,  
21 if you make a change and there's not another change  
22 required for 15 or 20 --

23          **WITNESS BAEZA:** No. I'm sorry. I  
24 misinterpreted your statement. The recommendation is  
25 that in an area where you need code relief, that you

1 size that relief to last 8 to 10 years.

2 COMMISSIONER DEASON: So it would not be  
3 within the guidelines to devise a restructuring where  
4 a particular code that has been changed would last for  
5 15 years?

6 WITNESS BAESA: That's correct.

7 COMMISSIONER DEASON: Why?

8 WITNESS BAESA: The industry feels and the  
9 code administrator supports that the initial need for  
10 an NPA relief plan is usually dictated by  
11 extraordinary growth or -- I shouldn't say  
12 extraordinary -- by significant growth in the area,  
13 and that if it is structured such that one of the  
14 areas in the relief area lasts much longer than 8 to  
15 10 years, that there will be underutilization of the  
16 NXXs in that area.

17 COMMISSIONER DEASON: And that is a concern  
18 of the plan administrator?

19 WITNESS BAESA: That is a concern of the  
20 North American numbering plan administrator.

21 COMMISSIONER DEASON: But you would agree  
22 that each situation has to be looked at independently  
23 to see if there are any unusual circumstances which  
24 would necessitate or would justify such a situation.

25 WITNESS BAESA: Oh, yes, I would agree with

1 that.

2 COMMISSIONER DEASON: I'm continuing to look  
3 at the guidelines, and on Page 9 there's a section  
4 entitled Concentrated Growth Overlay. Are you  
5 familiar with that concept?

6 WITNESS BAEZA: I'm sorry.

7 COMMISSIONER DEASON: It's on Page 9,  
8 Section 5.3.2.

9 WITNESS BAEZA: 5.312 did you say?

10 COMMISSIONER DEASON: No, no. On Page 9,  
11 5.3.2.

12 WITNESS BAEZA: Oh, .2. I'm sorry. I  
13 thought you said 12. Yes, I'm there.

14 COMMISSIONER DEASON: Are you familiar with  
15 that concept?

16 WITNESS BAEZA: Yes.

17 COMMISSIONER DEASON: In that section  
18 there's a sentence that reads, "The overlay NPA would  
19 be assigned initially to the section of the NPA  
20 experiencing the fastest growth." Why is that concept  
21 in there, do you think?

22 WITNESS BAEZA: The concept of putting the  
23 overlay in the fastest growth area?

24 COMMISSIONER DEASON: Yes. And the overlay,  
25 that would be the requirement to have a new area code

1 assigned to that overlay.

2           **WITNESS BAEZA:** Yes. As an example, if  
3 Jacksonville were determined to be an overlay area,  
4 then there would be an overlay that, just as it  
5 implies, sits on top of the 904 NPA, and any new  
6 growth, once 904 exhausted would go into the new NPA.  
7 That would necessitate ten-digit dialing for local  
8 calls.

9           **COMMISSIONER DEASON:** I understand that it  
10 necessitates that. I guess my question is, is that  
11 this concept basically, as I interpret it, says that  
12 if you're going to do an overlay -- and I know an  
13 overlay is not something that really is being  
14 discussed seriously for this situation, and I'm not  
15 implying it should be. I'm trying to address a  
16 concept, and the concept is, it seems to be saying  
17 that where there's high growth, make the change in the  
18 high growth area. Is that what that's saying?

19           **WITNESS BAEZA:** No, I don't interpret it  
20 that way. The way I interpret it is if there is high  
21 growth, then the overlay should go in that high growth  
22 area, because that's where the majority of the codes  
23 are going to be used.

24           **COMMISSIONER DEASON:** Why would that concept  
25 not apply to a geographic split as well?

1           **WITNESS BAEZA:** It doesn't necessarily not  
2 apply. It's really a question of can you make the  
3 geographic split in such a way that the exhaust date  
4 lasts 8 to 10 years.

5           **COMMISSIONER DEASON:** So you would think,  
6 then, it would be reasonable to look at growth rates  
7 even in a geographic split situation?

8           **WITNESS BAEZA:** Yeah, I would think that's  
9 reasonable assumption.

10           **COMMISSIONER DEASON:** That's all the  
11 questions I have.

12           **CHAIRMAN CLARK:** Mr. Erwin, would you like  
13 to ask --

14           **COMMISSIONER GARCIA:** Before Mr. Owen goes,  
15 let me ask a quick question. Where in the nation do  
16 we have overlays working right now?

17           **WITNESS BAEZA:** Okay. There are several. I  
18 don't know them all off the top of my head. I'm  
19 sorry.

20           **COMMISSIONER GARCIA:** No. I don't think --  
21 go ahead. There are several working right now.

22           **WITNESS BAEZA:** Yeah. I know of one in  
23 Maryland that's just occurred. There is --

24           **COMMISSIONER GARCIA:** The 703/202, or just a  
25 new area code that's there?



1           **WITNESS BAEZA:** Actually, it was two area  
2 codes overlaid on two area codes.

3           **COMMISSIONER GARCIA:** Okay.

4           **WITNESS BAEZA:** It's kind of a dual overlay,  
5 I guess. There's one in New York. There's --

6           **COMMISSIONER GARCIA:** The New York overlay,  
7 though, is, if I'm not mistaken, is -- it's an -- it  
8 was done before the FCC ruling that it was  
9 discriminatory to have 10-digit dialing. So in New  
10 York, if I'm not mistaken, the overlay was based on  
11 cellular numbers and things of that nature; cellular,  
12 beepers.

13           **WITNESS BAEZA:** Yes; that's my  
14 recollection--

15           **COMMISSIONER GARCIA:** So it's not really an  
16 overlay, it's any overlay -- it's really a split --

17           **WITNESS BAEZA:** It's a specialized overlay,  
18 I guess --

19           **COMMISSIONER GARCIA:** And most probably that  
20 wouldn't be admitted by the FCC today, if that was  
21 presented. It's already been deemed a  
22 discriminatory -- in that case, if I'm not mistaken,  
23 all the parties agreed to it, so I think --

24           **WITNESS BAEZA:** Yes, I would agree with your  
25 statement, yes. And I think there's one in Houston as

1 well, if I recall --

2 COMMISSIONER GARCIA: Right.

3 WITNESS BAEZA: -- and there may be others.

4 I just don't have personal knowledge of them.

5 COMMISSIONER GARCIA: Could you find out for  
6 us?

7 WITNESS BAEZA: Well, yeah, sure.

8 COMMISSIONER GARCIA: Could you find out  
9 where there are overlays working, actually? Because I  
10 think in the Houston one it may never have been  
11 implemented, because so many suits were filed by  
12 citizens and the like. I may be completely mistaken,  
13 but I'd like to know. And I do think there's an  
14 overlay in Los Angeles, if I'm not --

15 WITNESS BAEZA: Yeah.

16 COMMISSIONER GARCIA: -- mistaken.

17 WITNESS BAEZA: Yeah. I just don't  
18 remember --

19 COMMISSIONER GARCIA: Could you find out for  
20 us as a late-filed exhibit on where overlays are  
21 occurring in the country?

22 WITNESS BAEZA: Sure.

23 CHAIRMAN CLARK: We'll mark that as  
24 Late-filed Exhibit 12 and, as I understand it, it's  
25 areas in the country with overlay plans. If you

1 would, if there are any peculiarities about an overlay  
2 plan, such as cellular or something like that, also  
3 provide that information.

4 (Late-Filed Exhibit 12 identified.)

5 WITNESS BAEZA: Okay. We'll be happy to do  
6 that. The most interesting one, I think, right now is  
7 the one in Maryland where -- did I say Maryland? I  
8 think -- yeah, it was in Maryland. There were two  
9 overlays on two area codes.

10 COMMISSIONER GARCIA: If I'm not mistaken,  
11 Maryland may be the longest overlay in the country in  
12 the sense that it's had one for a very long time, and  
13 I guess they're used to ten-digit dialing in many  
14 areas of Maryland and the district.

15 WITNESS BAEZA: Right. I'll pull the  
16 information on that.

17 COMMISSIONER GARCIA: Thank you.

18 WITNESS BAEZA: Sure.

19 CHAIRMAN CLARK: Mr. Erwin.

20 CONTINUED CROSS EXAMINATION

21 BY MR. ERWIN:

22 Q Mr. Baeza, if Jacksonville and Daytona Beach  
23 keep the 904 area code, then as I understand it from  
24 your exhibits, in the year 2,002 something will have  
25 to be done and there will have to be a split.

1           **A**     Yes, that's correct.

2           **Q**     If that split is done along LATA lines, then  
3 do your exhibits reflect that Daytona would still  
4 exhaust in the year 2030.

5           **A**     Hang on. Let me make sure. (Pause.)

6           **Q**     It's on your Exhibit DMB-4 on page --

7           **A**     2030, yes.

8           **Q**     And then something else would have be done  
9 again for Jacksonville in the year 2006; is that  
10 correct?

11          **A**     If Jacksonville received its own NPA right  
12 now, yes, that's true.

13          **Q**     Or if it received its own NPA in the year  
14 2002, something would have to be done in the year  
15 2006; is that correct?

16          **A**     Yeah. As an example, hypothetically, if  
17 Daytona were split off from Jacksonville, Jacksonville  
18 would exhaust in 2006 at that point.

19          **Q**     So whether you split it then or whether you  
20 split it now, these exhaust dates remain the same,  
21 2006 and 2030 in the event that you stay along LATA  
22 lines?

23          **A**     Yes, that's correct.

24                   **MR. ERWIN:** That's all I had. Thank you.

25                   **CHAIRMAN CLARK:** Mr. Beatty?

## REDIRECT EXAMINATION

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BY MR. BEATTY:

Q Mr. Baeza, I just have a few questions for you. Commissioner Deason asked you a series of questions regarding the guidelines and the status of the guidelines.

Now, it is the case, is it not, that whatever plan is proposed and ordered by this Commission, that Bellcore makes an independent determination as to whether or not that plan justifies, if you will, the issuance of a code, an NPA code?

A Yes, that's correct. Bellcore is the final authority on issuing the NPA.

Q And if, hypothetically, an order from this Commission were to be issued and Bellcore were to disagree and elect not to issue a code, what would be the result?

A Well, if we carry it to its extreme and we don't provide an alternative plan for which they issue an NPA, then ultimately the 904 area code would run out of telephone numbers.

Q Procedurally if an order from this Commission is issued and Bellcore rejects our request for a code, what next would be your step?

1           **A**     What next would be my --

2           **Q**     Your step. What would you do next in order  
3 to reprocess the exhaust situation and the process of  
4 getting an area code for the 904 area code relief?

5           **A**     Okay. Well, what has occurred in the past  
6 when Bellcore has rejected an industry recommendation  
7 is, the industry has to reconvene and come up with an  
8 alternative plan and resubmit it to Bellcore.

9                     In the case of a PSC order, I would hazard a  
10 guess that at that point the PSC would have to file  
11 suit against Bellcore for not issuing an NPA.

12           **Q**     Well, would there be another option? And  
13 that option would be that BellSouth, as the code  
14 administrator, would reconvene industry meetings, a  
15 consensus would arguably be established, and either --  
16 through a consensus an NPA would be reapplied for with  
17 Bellcore, or if there was no consensus then the  
18 hearing process, as we are here today, would be  
19 reinitiated as BellSouth as the code administrator?

20           **A**     That's exactly how I would see it happening.  
21 We would reconvene, try and reach an agreement, and  
22 then resubmit.

23           **Q**     What concerns would you have if we had to go  
24 through either one of those processes?

25           **A**     The biggest concern I have is the time it



1 takes to establish an NPA for permissive dialing, and  
2 then ultimately for mandatory dialing. Right now we  
3 predict in 1990 we will run out of NXX codes. So time  
4 is short right now.

5 Q And when you run out of NXX codes, what is  
6 the result?

7 A We will -- we, the industry in 904, will  
8 have to deny service.

9 Q Now, you talked ago a little bit about  
10 protected codes. Do you recall that general  
11 discussion?

12 A Yes.

13 Q Please describe for us the situation in  
14 which protected codes need to be used.

15 A Well, in the case of a jeopardy situation --  
16 and a jeopardy situation would be that the NPA exhaust  
17 is occurring at a more rapid rate than we initially  
18 predicted -- then we need to either, one, stop issuing  
19 new NXXs or, two, reclaim codes. So we would attempt  
20 to do that, reclaim codes.

21 CHAIRMAN CLARK: Mr. Beatty, I think you  
22 need to repeat the question, because I think he was  
23 talking about protected codes where you have two  
24 side-by-side LATAs and you don't use the same NXX -- I  
25 mean, side by side area codes. That's what I thought



1 you had indicated a protected code was before.

2 WITNESS BAEZA: Yes.

3 MR. BEATTY: That's right.

4 WITNESS BAEZA: And that's what -- what I  
5 indicated was if we run into a jeopardy situation, in  
6 other words, where NXX utilization is occurring at a  
7 faster rate than we predicted or we are approaching  
8 the May 1998 exhaust, then we somehow have to obtain  
9 more NXX codes.

10 CHAIRMAN CLARK: So you would reclaim the  
11 ones you've previously protected?

12 WITNESS BAEZA: We -- yes. Well, there  
13 would be a number of steps. We would have to  
14 reconvene the industry and declare a jeopardy, and  
15 then begin conservation measures on existing codes and  
16 request that any other codes that could be made  
17 available be made available.

18 CHAIRMAN CLARK: Go ahead, Mr. Beatty.

19 Q (By Mr. Beatty) Is there a policy or a  
20 guideline set forth in the ICCF NPA guidelines that  
21 addresses the issue of protected codes?

22 A I don't recall. Let me just take a quick  
23 look. (Pause) Okay. There is just a brief reference  
24 to it in the glossary under Premature Exhaust.

25 Q Is protected codes, or the process of

1 protecting codes favored by the guidelines?

2 A No. No. The guidelines like to avoid  
3 protected codes whenever possible, because obviously  
4 that reduces the number of NXXs available for  
5 assignment.

6 Q And as the code administrator, what success  
7 have you had in the past with actually retrieving from  
8 other code holders protected codes?

9 A We've had no success at this point.

10 Q And why is that? Do you know?

11 A Well, I would suspect that it is -- there's  
12 a reluctance on the part of the industry members to  
13 take back what is already given to their customers.

14 Q To change subjects for a second, there were  
15 some questions about the 352 area code with the  
16 possibility of creating a new NPA, 904 NPA relief  
17 scenario that would include placing Daytona into the  
18 352 area code. Do you recall that?

19 A Yes.

20 Q Do you have any concerns about that type of  
21 area code relief approach?

22 A Yes. Right now 352 has been in existence  
23 for some time, and NXXs are being assigned in 352 that  
24 are duplicates of NXXs in the Daytona LATA. So we  
25 would have to effect number changes for either the

1 customers in 352 or the customers in the Daytona LATA.  
2 This would be their NPA and NXX and/or telephone  
3 number. So we would, in fact, in all likelihood have  
4 to change all 10 digits of that customer body.

5 Q And do you have a belief as to the effect of  
6 that kind of change? Is that a good change?

7 A I believe that would be a bad change, that  
8 that would not be construed as being positive by the  
9 customer base.

10 Q And why?

11 A Well, because they had to change their  
12 telephone number. They got a new telephone number for  
13 what I think they would perceive as no reason.

14 Q Would that create, in your mind, confusion  
15 for the customers?

16 A Yes.

17 Q Mr. Erwin asked you some questions regarding  
18 the cost causer, the concept of the cost causer. Do  
19 you recall those questions?

20 A Yes, I do.

21 Q What in your mind, are the concerns that you  
22 have with regard to placing the, quote, unquote,  
23 burden of 904 area code relief on the cost causer  
24 because they are the cost causer, if you will; because  
25 they are the causer of needing a new area code?

1           **A**    Well, you know, that's an interesting  
2 concept. You know are they -- I don't know how to  
3 define them as a cost causer.

4                    By virtue of the fact that you live in  
5 Jacksonville -- and I'm assuming it's Jacksonville is  
6 being construed as the cost causer -- if you live in  
7 Jacksonville and you've been there for 30 years, how  
8 would you be construed as the cost causer, and then if  
9 you lived in Pensacola, are you -- what are you then?  
10 You're not a cost causer. I guess you're a cost  
11 victim.

12                   If you move from Pensacola to Jacksonville,  
13 do you now become a cost causer and vice versa? Would  
14 you be entitled to compensation or penalty for moving?  
15 So I don't know how to define cost causer.

16           **Q**    Is one of the reasons for -- if not the  
17 reason for needing NPA area code relief the fact that  
18 new uses or new needs, if you will, for telephone  
19 lines has been made apparent?

20           **A**    Yes. You know, obviously the explosive  
21 growth of cellular telephones, pagers, pagers/beepers,  
22 fax machines, those naturally contribute to that  
23 utilization of telephone numbers.

24           **Q**    Is it fair to say that new entrants into the  
25 telecommunications marketplace -- and let's take in

1 this case in Jacksonville -- would be in part the  
2 cause, assuming that they needed NPA, they needed  
3 NXXs, that they would in part be the cause for needing  
4 a new NPA because of an exhaust situation?

5 A Yes. If, for example, a new ALEC or 10 new  
6 ALECs moved into the Jacksonville area, they would  
7 each have to have at least one NXX, and of course  
8 would contribute to that acceleration of utilization.

9 Q Is it your in your mind consistent with the  
10 guidelines or consistent with this Commission's  
11 previous orders that new entrants into the  
12 telecommunications market should be affected and  
13 pulled out and singled out, if you will, because they  
14 have created, arguably, the need for additional NXXs,  
15 which then escalates the need for a new NPA?

16 A No, I don't think they should be -- if I  
17 understand your question correctly, do you think they  
18 should be penalized for moving into the Jacksonville  
19 area?

20 Q That's not quite my question, but that will  
21 suffice.

22 A Oh. That's a tough one there.

23 COMMISSIONER GARCIA: It's a tough one  
24 because you work for BellSouth; right?

25 MR. ERWIN: Excuse me. I'd like to object



1 to the question, that this witness has already  
2 indicated he never heard of the cost causer concept  
3 that the Commission has employed on many occasions.  
4 So he's answering a string of questions there about  
5 which he has indicated previously that he knows  
6 nothing.

7 CHAIRMAN CLARK: Mr. Beatty?

8 MR. BEATTY: I've asked the witness for his  
9 opinion. He's already on cross been asked about the  
10 cost causing concept. I think it's perfectly  
11 legitimate for me to explore the extent of his  
12 knowledge in that regard.

13 CHAIRMAN CLARK: Mr. Erwin, as I recall, he  
14 did answer some of your questions on that issue.

15 MR. ERWIN: I have another basis for my  
16 objection, too, and that is that it's founded upon an  
17 erroneous assumption, because we've already indicated  
18 in the record that once an area code change has been  
19 made, that people who come in newly are not affected  
20 by it. They get an area code one way or the other.

21 So there's that erroneous assumption  
22 underlying the question.

23 CHAIRMAN CLARK: Mr. Beatty?

24 MR. BEATTY: I would just merely suggest  
25 that that's not a basis for objecting to testimony;

1 that's a basis of argument. And counsel can certainly  
2 put that into his papers, his post-filing papers.  
3 That's not a basis for not listening to this witness'  
4 testimony who obviously has an opinion about matters  
5 that were addressed to him on cross-examination.

6 CHAIRMAN CLARK: Mr. Erwin, first of all, I  
7 don't understand how that is an assumption under these  
8 questions. I guess I'm just missing the basis for  
9 your objections, and I will allow him to answer the  
10 question. I think he already did.

11 WITNESS BAEZA: Yeah, I did.

12 CHAIRMAN CLARK: Do you have anything  
13 further in this line of questioning, Mr. Beatty?

14 MR. BEATTY: Not on this line, no.

15 Q (By Mr. Beatty) Mr. Erwin asked you one or  
16 two questions and referenced in that regard the ICCF  
17 guidelines on Page 4, and he quoted the last paragraph  
18 on that page that reads as follows: "Normally, only  
19 one code will be assigned per request unless the codes  
20 are to be introduced simultaneously." Do you recall  
21 that language?

22 A Yes, I do.

23 Q Is in your mind the reference -- the  
24 reliance upon this language intended to convey some  
25 analysis with regard to a three-way split?



1           A     Yeah, I guess it could be interpreted as  
2 such.

3           Q     Now, you indicated that -- in response to  
4 his question, that this quoted language meets the  
5 guidelines if, in fact, there is only one code issued  
6 simultaneously or if -- strike that -- if codes, more  
7 than one code, if the codes are issued simultaneously,  
8 then those -- then that issuance is consistent with  
9 the guidelines?

10          A     Yes. And I believe I answered that per this  
11 paragraph. It supports that.

12          Q     Okay. Now, my question to you is, are there  
13 other concerns that you have with regard to the  
14 simultaneous issuance of NPA codes other than this  
15 one, the fact that they are issued simultaneously?

16          A     Well, number one, we would still have to  
17 show that issuing multiple codes -- in this case two  
18 codes instead of one -- would meet the guidelines.  
19 When we make the request to the North American  
20 numbering plan administrator, each of the codes would  
21 have to meet the guidelines or we would have to  
22 explain why though they don't meet the guidelines,  
23 it's important to have those codes.

24                     Additional concerns would center around  
25 where the codes were issued. If they were issued by

1 LATA, it would be -- I think in my mind it would be  
2 less difficult for customers. If they were issued  
3 intraLATA, that would create confusion more so than  
4 the confusion created by a three-way split. So that  
5 my primary concern would be confusion for my  
6 customers.

7 MR. BEATTY: Thank you. I have nothing  
8 further.

9 COMMISSIONER DEASON: Madam Chairman, I have  
10 one last question that I forgot to ask. Are you  
11 familiar with the concept of number portability in  
12 Jacksonville being designated as one of the areas in  
13 the country to initially receive number portability?

14 WITNESS BAEZA: Yes, I am.

15 COMMISSIONER DEASON: Do your projected  
16 exhaust dates take that into consideration?

17 WITNESS BAEZA: No. At this point we do not  
18 really know the effects of number portability to make  
19 a prediction.

20 COMMISSIONER DEASON: While you cannot  
21 predict it, do you know in what direction it would --  
22 what effect it would have? Would it cause those  
23 exhausts dates to be earlier than currently projected?

24 WITNESS BAEZA: I think at this point if we  
25 were to analyze number portability, initially we would

1 have a blip, if you will, on the forecast that would  
2 increase NXX utilization, but I think that would, over  
3 a period of time, smooth out. So I think the effect  
4 long-term would be small.

5 COMMISSIONER DEASON: But there would some  
6 short-term effect?

7 WITNESS BAEZA: Yes, I think so.

8 COMMISSIONER DEASON: What do you  
9 characterize as short-term? One, two years?

10 WITNESS BAEZA: Yeah, one to three years,  
11 you know, as there are new entrants into the market.

12 MR. PELLEGRINI: Chairman Clark, would you  
13 permit Staff one additional question to Mr. Baeza  
14 concerning a response of his to one of Mr. Beatty's  
15 questions?

16 CHAIRMAN CLARK: Go ahead, Mr. Pellegrini.

17 RECROSS EXAMINATION

18 BY MR. PELLEGRINI:

19 Q Mr. Baeza, you responded to one of  
20 Mr. Beatty's earlier questions concerning the ultimate  
21 authority to approve relief plan. I believe your  
22 statement was that that ultimate authority rested with  
23 Bellcore, the plan administrator.

24 A Yes, sir.

25 Q Let me direct your attention, please, to the

1 ICCF guidelines on Page 3 of 14. Are you there on  
2 Page 3 of 14?

3 A Yes, sir.

4 Q Would you read into the record paragraph  
5 2.10?

6 A 2.10: "The appropriate regulatory  
7 Commission, for example, state, province, country, has  
8 the ultimate authority to approve or reject a relief  
9 plan."

10 Q Do you see a conflict between that paragraph  
11 and your response to Mr. Beatty?

12 A Yes, I do. I apologize for that, but I do  
13 have some history on that; and, as I stated, I don't  
14 know of a plan where the Commission has made a  
15 recommendation and it was submitted to Bellcore, but I  
16 do know of plans where the industry has made  
17 recommendations and Bellcore would not approve the  
18 plan and the industry had to reconvene. So I  
19 apologize for that, but it was based on information  
20 that I had.

21 MR. PELLEGRINI: Thank you. That's all I  
22 have Commissioner Clark.

23 CHAIRMAN CLARK: Mr. Beatty would you like  
24 to follow up on that?

25 MR. BEATTY: Yes, I would.

**FURTHER DIRECT EXAMINATION**

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**BY MR. BEATTY:**

**Q** Mr. Baeza, I believe the questions I asked you really related to the issuance of the NPA code, in this case 850, if in fact the scenarios that you've painted in your Exhibit DMB-1 would be approved by the Commission.

My question to you was and, I believe, is this: If, in fact, the Commission issued an order that set forth a plan for relief for the 904 area code, would you then submit that plan to Bellcore and request a code or codes in accordance with the Commission's order?

**A** Yes, I would.

**Q** Is it your belief that Bellcore would independently, independent of this Commission's order, make a determination as to whether or not it is going to release the code or codes necessary to comply with this Commission's order?

**A** Yes, that is correct.

**Q** So my question again to you is, is it your belief that that decision by Bellcore would be independent of the Commission's order?

**A** Yes. If you read paragraph 2.10, it says the regulatory Commission has the ultimate authority

1 to approve or reject a plan. It does not imply that  
2 Bellcore will provide an NPA based on that plan. So I  
3 think the intent of this if the industry came up with  
4 a plan that the regulatory body did not approve, that  
5 the regulatory body could force the industry into a  
6 different plan. But, as you suggested, Bellcore still  
7 performs an independent analysis and would provide the  
8 NPA if it met the recommended criteria.

9 Q And while I know that Bellcore today is the  
10 independent administrator, tomorrow, figuratively,  
11 will Bellcore remain the administrator of the NPA  
12 code?

13 A No. That is scheduled to change, and I  
14 believe it's going to occur on January 1, but I'm not  
15 100% certain on that date, in that Lockheed would take  
16 over the North American numbering plan administration.

17 MR. BEATTY: I have nothing further. Thank  
18 you.

19 CHAIRMAN CLARK: Mr. Baeza, I may have some  
20 questions -- I still don't understand the impact of  
21 that section in the guidelines Baeza.

22 WITNESS BAEZA: Okay.

23 CHAIRMAN CLARK: Let me ask a question.

24 WITNESS BAEZA: Sure.

25 CHAIRMAN CLARK: I assume if the industry



1 came up with a plan and submitted it to Bellcore, they  
2 could say, no, we're not going to allow you, and  
3 rethink it.

4           **WITNESS BAESA:** Yes.

5           **CHAIRMAN CLARK:** Or they could say yes, but  
6 a state Commission could say, we don't accept it, you  
7 have to go back. Has there ever been a situation  
8 where industry couldn't agree, for whatever reason,  
9 the state commission decided on a plan that Bellcore  
10 then rejected?

11           **WITNESS BAESA:** I'm not aware of any.

12           **CHAIRMAN CLARK:** So, in your opinion, who  
13 has the final authority if, let's just say, the  
14 industry cannot agree. It went to a state Commission,  
15 they issued an order, and Bellcore did not agree with  
16 it. Is it your view that Bellcore could reject it and  
17 not issue the new area codes?

18           **WITNESS BAESA:** Yes, it's my view that  
19 Bellcore could reject the request.

20           **CHAIRMAN CLARK:** And then we would go  
21 through the same proceedings that you previously  
22 indicated to Mr. Beatty?

23           **WITNESS BAESA:** Yes. We would reconvene the  
24 industry and come up with a plan for which everyone  
25 could agree, and then resubmit that.



1           **CHAIRMAN CLARK:** So ultimately, despite what  
2 those guidelines say, the state Commission doesn't  
3 have the last say?

4           **WITNESS BAEZA:** No. That's my opinion, no.

5           **CHAIRMAN CLARK:** Okay.

6           **COMMISSIONER KIESLING:** Well, I have a  
7 follow-up questions on yours, then. If it's your  
8 understanding that Bellcore could do that, could  
9 reject the Commission's ordered relief plan, what do  
10 you base that belief on?

11           **WITNESS BAEZA:** Bellcore would do an  
12 independent analysis of the utilization of the NPA  
13 codes and any special extenuating circumstances  
14 associated with it, and based on their analysis, they  
15 would provide or reject the NPA.

16           **COMMISSIONER KIESLING:** What I'm trying to  
17 find out is where that's provided for, where does  
18 Bellcore get the authority to reject the Commission's  
19 order.

20           **WITNESS BAEZA:** I don't know. I don't know  
21 if there is a docket that says that or not. I have no  
22 idea.

23           **COMMISSIONER KIESLING:** But to your  
24 knowledge, that's never happened.

25           **WITNESS BAEZA:** That's correct.

1           **COMMISSIONER KIESLING:** Thank you.

2           **CHAIRMAN CLARK:** Mr. Beatty, do you want to  
3 follow up.

4           **MR. BEATTY:** Just one real brief question,  
5 and this is just for the point of trying to clarify a  
6 little bit.

7           **Q**       **(By Mr. Beatty)** In your mind, Mr. Baeza,  
8 is it that Bellcore has the authority to reject a  
9 Commission's order, or that Bellcore has the  
10 authority -- and this is a fine line, I think -- to  
11 issue or not issue an NPA upon request, an NPA code  
12 upon request?

13          **A**       Yes; Bellcore can issue or not issue an NPA  
14 upon request.

15          **Q**       To your knowledge, is there -- have you ever  
16 seen or even heard that Bellcore has the authority to  
17 reject a Commission's order?

18          **A**       I don't know of any case which a Commission  
19 has ordered, and I don't know of it ever occurring.

20          **MR. BEATTY:** I have nothing further. Thank  
21 you.

22          **CHAIRMAN CLARK:** Exhibits.

23          **MR. BEATTY:** BellSouth would move into  
24 evidence Exhibit 4.

25          **CHAIRMAN CLARK:** Without objection Exhibit 4

1 will be admitted in the record.

2 (Exhibit 4 received in evidence.)

3 MR. PELLEGRINI: Staff would move exhibits  
4 5, 6, 7 and 8 into the record.

5 CHAIRMAN CLARK: Without objection those  
6 exhibits will be entered in the record.

7 (Exhibits 5 through 8 received in evidence.)

8 CHAIRMAN CLARK: And exhibits 9, 10 and 11  
9 and 12 are late-filed exhibits.

10 MR. PELLEGRINI: Yes, they are, Chairman.

11 CHAIRMAN CLARK: We will go ahead and take a  
12 break until 11:30 and we will reconvene with  
13 Mr. Mayne.

14 (Brief recess.)

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16 (Transcript continues in sequence in  
17 Volume 2.)

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