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September 24, 1997

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center
Room 110
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HAND DELIVERY

Re: Docket No. **971058-TL**

Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of Teleport Communications Group Inc. ("TCG") are the original and fifteen copies of the prefiled direct testimony of David M. Hirsch.

ACK _____ Please acknowledge receipt of these documents by stamping the extra copy of this letter
AFA _____ "filed" and returning the same to me.
APP _____

CAF _____ Thank you for your assistance with this filing.

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OTH _____ cc: All Parties of Record

Sincerely,



Kenneth A. Hoffman

DOCUMENT NUMBER-DATE

09809 SEP 24 5

FPSC-RECORDS/REPORTING

Ms. Blanca S. Bayo, Director
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the prefiled direct testimony of David M. Hirsch was furnished to the following on this 24th day of September, 1997:

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KENNETH A. HOFFMAN, ESQ.

ORIGINAL

**PREFILED DIRECT TESTIMONY
OF
DAVID M. HIRSCH
ON BEHALF OF
TELEPORT COMMUNICATIONS GROUP INC.
DOCKET NO. 971058-TL**

DOCUMENT NUMBER-DATE
09809 SEP 24 5
FPSC-RECORDS/REPORTING

- 1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
- 2 A. My name is David M. Hirsch. My business address is Teleport
3 Communications Group Inc. ("TCG"), 1133 21st Street, N.W., Suite 400,
4 Washington, DC 20036.
- 5 Q. WHAT IS YOUR CURRENT POSITION AT TCG?
- 6 A. I am Manager of Regulatory Affairs for the Eastern Region.
- 7 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.
- 8 A. I graduated *cum laude* with a B.A. degree in Economics and Political Science
9 from Temple University in Philadelphia.
- 10 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?
- 11 A. The primary purpose of my testimony is to support the implementation of a
12 geographic split for relieving the 305 area code. I wish also to discuss NPA
13 overlays, including the one supported by BellSouth Telecommunications, Inc.
14 ("BST") for relieving its telephone central office codes ("NXX") in the 305
15 NPAs. Such overlays are contrary to consumers' best interests and seriously
16 harm potential new competitors.
- 17 Q. WHAT IS TCG'S INTEREST IN THIS PROCEEDING?
- 18 A. TCG affiliate, TCG South Florida, has been authorized to provide local
19 exchange services throughout Florida. The ability of TCG to obtain
20 appropriate numbering resources is critical to its ability to compete in the local
21 exchange market.
- 22 Q. PLEASE DESCRIBE BST'S NPA OVERLAY PLAN AS YOU
23 UNDERSTAND ITS CURRENT STATUS.
- 24 A. Under the overlay plan proposed by BST the present 305 geographical area
25 would remain the same, but boundaries for the new area code would overlay

1 the 305 Numbering Plan Area ("NPA"). Upon exhausting the 305 NPA, new
2 growth codes for wireless and wireline would be assigned NXX codes in the
3 overlay area code.

4 I believe that the Florida Public Service Commission ("PSC") should
5 consider the potential implications NPA relief plans have on the development
6 of local exchange competition. Under BST's overlay proposal, future wireline
7 competitors would find that all of their new customers are forced to use the
8 new area codes. I believe such a situation would certainly have a serious
9 adverse impact on the development of local exchange competition because
10 customers new to the area or those in need of additional telephone lines would
11 most likely prefer a telephone number from the familiar 305 NPA. As a result,
12 these customers may shop for a carrier (like BST) that had telephone numbers
13 in the familiar 305 NPA. Carriers without 305 telephone numbers may be
14 precluded from a customer's selection pool simply because it did not have
15 numbers in the highly coveted and familiar 305 NPA.

16 **Q. WHY IS BST'S PROPOSAL OF PARTICULAR CONCERN TO**
17 **POTENTIAL COMPETITORS LIKE TCG?**

18 **A.** Overlay NPA plans only recently have been proposed by the Local Exchange
19 Carriers ("LECs"). Prior to the potential threat of local competition,
20 traditional NPA splits were the only proposals put forth to remedy telephone
21 number resource issues. NPA splits were routinely used when the telephone
22 industry was simply assigning numbers among fellow monopolies.

23 With the advent of competition, NPA overlays are being proposed by
24 many LECs. These overlays have definite anticompetitive implications.

1 Overlays typically place a disproportionate burden of "solving" number
2 shortages on the new entrants to the industry.

3 I believe the implementation of an overlay NPA code also will be
4 particularly confusing for both consumers and businesses that are used to the
5 idea that telephone numbers tell you something about the called party's
6 location. For instance, a consumer might believe that one store is farther
7 away simply because it is in a different area code

8 In addition to the impacts on consumers described above, the increase
9 in demand for additional lines at customer locations presents other
10 complications. For example, let us assume that a business customer currently
11 uses fifty numbers which were assigned by BST in the 305 area code. This
12 same customer later needs an additional twenty lines, after an overlay has been
13 implemented. If the customer wishes to order those lines from a competitor,
14 it will operate its original lines using the 305 area code and the twenty
15 additional lines using the new area code. Customers would be reluctant to
16 operate in this manner since their single business office will have two separate
17 area codes. Instead, the customer is much more likely to order the additional
18 twenty lines from BST regardless of the fact that a competitor's service may
19 be superior. This problem would apply equally in a residential setting. A
20 current BST customer who wants to buy a second line from a competitor
21 would have to tolerate two different NPAs in the same household.

22 **Q. WHY DO YOU SAY THAT ONLY COMPETITORS' CUSTOMERS**
23 **WILL BE IN THE NEW AREA CODE?**

1 A. After the proposed overlay begins, BST may still have many "warehoused"
2 numbers in the 305 area code, and thus it is questionable whether BST will
3 have to assign its customers to the new area code in the near future.

4 In addition, BST will continue to have 305 telephone numbers that
5 become available when customers move out of the area. And those numbers
6 that are produced by such "churn" only will be available for BST's new
7 customers.

8 **Q. BUT WON'T THE NEW OVERLAY AREA CODE EVENTUALLY**
9 **GAIN WIDE USE?**

10 A. Over time the new overlay NPA will gain wider use, however, that process
11 will be a very slow one because of the marketing disadvantages that result
12 from an overlay area code.

13 **Q. WHAT ARE THE MARKETING ADVANTAGES FOR BST THAT**
14 **RESULT FROM ITS OVERLAY PLAN?**

15 A. Customers who currently have telephone numbers in the 305 area code (as the
16 case might be without permanent number portability) or new customers in that
17 same geographic area will be extraordinarily reluctant to give them up and
18 take numbers in a new overlay NPA in order to do business with a competitor.
19 All of their customers and neighbors, and their own business competitors, will
20 still have the benefit of the familiar NPA and the identification of those
21 numbers with a specific geographic area. The overlay plan thus will create
22 two unequal classes of customers.

23 One class will consist of the customers of TCG and other competitors
24 to the LEC. Under an overlay NPA plan, these customers will be relegated
25 to a new, unfamiliar and, because it will only be given to newly assigned

1 telephone numbers, inferior NPA.¹ An existing or new business that must rely
2 on customers calling it would be understandably reluctant to take a chance
3 that all its callers will recognize its new area code as a known or even
4 "another" local area code which can be reached by a local call, instead of a toll
5 call. This will discourage customers from purchasing service from
6 competitors.

7 The second, and favored, class of customers is the customers of the
8 ILEC (BST) which dispenses the NXXs. The effect of an NPA overlay is
9 therefore to stigmatize those customers served out of the overlay NPA and
10 the competitors such as TCG which serve them.

11 BST will be greatly advantaged by the fact that the significant
12 inconvenience and confusion relating to the new area code will be largely
13 borne by the customers and potential customers of BST's competitors.
14 Moreover, BST's competitors will be forced to expend resources to overcome
15 these substantial disadvantages. Only in an NPA code split, where all
16 customers in an area receive a new NPA, would a change in NPA by a
17 customer not create such confusion, and not act as a deterrent to the choice
18 of a competitor's services.

19 **Q. DO YOU BELIEVE THAT CUSTOMERS PREFER A GEOGRAPHIC**
20 **SPLIT TO AN OVERLAY?**

21 **A.** All the surveys of which I am aware favor a geographic split. For example,
22 in Connecticut before the 203 area code split, a study of Connecticut
23 consumers conducted on behalf of Southern New England Telephone

¹ By contrast, with a geographic split all users in the geographic boundary have the same area code, therefore, neither code is competitively superior or inferior to the other.

1 Company found consumers actually favor a geographic split over an overlay
2 even if they are the consumers placed in the new code. Most recently,
3 another study conducted in Connecticut, after the 203/860 split, found
4 Connecticut consumers still favor a geographic split

5 **Q. WILL CUSTOMERS BE DISADVANTAGED IN OTHER WAYS?**

6 A. Yes. Customers often wish to select a competitive carrier for the reliability
7 and diversity of service that result from using an alternative
8 telecommunications provider. This is often referred to as "operational
9 security." Operational security is the ability to have an alternative supplier --
10 someone who simply is "not the telephone company" -- provide elements of
11 the customer's telecommunications services. Because BST's existing
12 customers will continue to use 305 area code numbers and BST will likely
13 continue to have an inventory of unused 305 numbers sufficient to assign to
14 its customers for a considerable period of time, a customer wishing to
15 purchase redundant services from a competitive carrier would be forced to use
16 a different and unfamiliar area code for its additional lines. Thus, NPA
17 overlays will serve as a disincentive for customers to choose competing
18 carriers to supply different elements of their networks.

19 **Q. HOW CAN THE DISADVANTAGES OF AN NPA OVERLAY PLAN**
20 **BE OVERCOME BY THE NEW COMPETITORS?**

21 A. I am unable to identify any marketing, product design, advertising or other
22 approaches that could be used to overcome the stigma that will be attached
23 to being placed in the inferior overlay NPA. Given that BST's 305 area codes
24 already have "brand identity," it would obviously require huge expenditures
25 on advertising to try to develop any comparable brand identity for the new

1 NPAs. TCG would not be able to devote resources to such an effort, since
2 it needs to establish its own corporate and brand identity to compete in the
3 local marketplace. Funds spent on publicizing the new area code are
4 obviously funds not available to publicize TCG's products, services, and
5 prices.

6 Even assuming that a brand identity could be built for the new area
7 code, I do not believe that competitors' problems would end. Customers are
8 very reluctant to change telephone numbers, and in my opinion that reluctance
9 will be far greater if they not only have to change their seven-digit number,
10 but their NPA as well, in order to take service from a competitor. I believe
11 that very few customers, if any, will be willing to shift carriers under such
12 circumstances, all other things being equal. Given that new competitors will
13 be facing an extremely difficult competitive situation, competing with BST's
14 100 year head start and nearly 100% local market share, saddling new entrants
15 with even more obstacles to overcome does not appear to be consistent with
16 the creation of more competitive local markets.

17 **Q. WHAT IS YOUR RECOMMENDATION FOR A RELIEF PLAN?**

18 A. I support the use of an area code split rather than an overlay as proposed by
19 BST. I believe that NPAs must be administered in an efficient and fair manner
20 so that all communications service providers and their respective customers
21 are treated equally. Numbers are essential to the offering of new switched
22 services, and incumbent LECs, as the keepers (and beneficiaries) of those
23 numbers, must be subject to a high standard of impartiality and fairness
24 toward their potential and current competitors. NPAs should not be

1 administered in a manner that favors or disadvantages any particular industry
2 segment or group of consumers.

3 Viewed against those standards, the BST overlay plan falls far short
4 of the mark. It confuses and harms consumers, saddles competitors with
5 disproportionate burdens, threatens to choke off the development of new
6 services, and discriminates against particular customers and carriers. In an
7 area code split, all customers in a common geographic area take on a new area
8 code. In such a situation, new competitors and BST can both offer their
9 services under the same NPA, and all carriers and customers receive similar
10 treatment.

11 With respect to overlays, I am aware of only one way in which its
12 anticompetitive effects can be mitigated. That is to require that the overlay
13 NPA only be initiated once true, service provider local number portability with
14 unassigned number porting is available in the area where the overlay is to be
15 applied. This will ensure that the customers of a new competitor can retain
16 their existing telephone numbers (and NPA) when they choose to shift to a
17 new provider. Additionally, it will permit ALECs to port unassigned numbers
18 from carriers with NPA-NXXs from the "original" NPA. No other method
19 will eliminate the inherently anticompetitive and discriminatory effects of
20 BST's overlay plan. Accordingly, should the PSC wish to entertain future use
21 of overlays, I would recommend that it require permanent local number
22 portability with unassigned number porting as a precondition.

23 **Q. HOW WOULD TRUE SERVICE PROVIDER LOCAL NUMBER**
24 **PORTABILITY MITIGATE THE DISADVANTAGES OF AN**
25 **OVERLAY NPA?**

1 A. Service provider number portability allows an end user to retain the same
2 telephone number when changing from one local service provider to another,
3 for example from an existing LEC to an ALEC, while remaining in the same
4 location. With service provider number portability, new competitors would
5 be at less of a competitive disadvantage as a result of an overlay NPA, since
6 their prospective customers could retain their local phone numbers, including
7 whatever NPA they happen to be assigned to, and switch to a new carrier.
8 True service provider number portability also results in conservation of
9 number resources, since the substantial number of unused numbers in existing
10 area codes can be assigned and used by existing LECs, ALECs or new
11 companies. Moreover, as customers shift to new local providers they can
12 retain and use their existing numbers, thus not requiring any additional number
13 resources.

14 True local number portability uses a data base solution with local data
15 bases used to determine the particular local service provider that is serving a
16 given telephone number. To accomplish this, each carrier's switch will be
17 assigned a Local Routing Number ("LRN"). In simplistic terms, the LRN is
18 used by carriers for the purpose of identifying where a ported number should
19 be routed and a data base is accessed to provide the information of how to
20 properly route the call.² By contrast, Remote Call Forwarding ("RCF"),
21 which some LECs have promoted as a so-called "interim" number portability
22 solution, requires that two telephone numbers be assigned for each line, thus

² To route a call to an end user that has ported her number to a competing carrier, the second to last carrier (or N-1 carrier) will dip into an information database that associates the called party's telephone number with her respective carrier and then route the call. The N-1 carrier's switch will only dip into the database when a telephone number from an NXX has been ported.

1 not advancing number conservation, and provides the new competitor with a
2 technically inferior form of service because RCF does not support many of the
3 vertical features -- for example, Ring Back, Answer Call, Caller ID -- that
4 so many customers request today.

5 **Q. DOES THAT MEAN THAT ONCE PERMANENT NUMBER**
6 **PORTABILITY IS AVAILABLE THAT THE ANTI-COMPETITIVE**
7 **CONCERNS YOU EXPRESSED ABOVE WILL DISAPPEAR?**

8 A. No. The PSC cannot permit the smoke and mirrors of any carrier's
9 assurances that number portability will resolve the anti-competitive effects of
10 an overlay. Unless the permanent service provider number portability solution
11 guarantees ALECs access to BST's unused numbers and former customer
12 reserved numbers, the anti-competitive outcomes an overlay encourages will
13 endure.

14 While ALECs, upon winning customers away from ILECs, can
15 transfer (or port) the ILEC's numbers, the status of growth numbers for
16 customers will impose a serious and potential obstacle to retaining the
17 customer. For example, in Year One imagine TCG wins customer X away
18 from BST and this customer has 500 lines. In year two an overlay is
19 established and customer X needs 50 new lines. TCG can only offer customer
20 X 50 new lines from the new area code. An astute BST marketing
21 representative trying to win back customer X's business could promise
22 Customer X that BST has numbers available with the old NPA-NXX.
23 Customer X, wanting to retain the constancy of numbers that he can only get
24 from BST, switches back to BST. This very real scenario could be averted
25 if TCG had access to BST's unused numbers. While TCG respects,

1 encourages and welcomes competition on a level playing field, the scenario
2 contemplated above furnishes BST with an anti-competitive trump card to win
3 back customers. By warehousing numbers, either through churn or
4 reservation, BST maintains control of a resource unavailable to TCG.
5 Therefore it is imperative that the PSC obligate BST to port unused numbers
6 to TCG customers who have discontinued service with BST.

7 In addition to requiring BST to port unused numbers, when available,
8 the PSC must also permit ALECs to port reserved numbers. Reserved
9 numbers are numbers that are put aside for customers for the purpose of
10 growth. Salespeople forecast the number of lines necessary for the
11 customer's anticipated future growth. Through reservation the customer is
12 assured constancy of numbers without fear of a new NXX code assignment
13 as the customer's demand for numbers grows. Therefore, the PSC needs to
14 establish policies that will assure customers and ALECs that anti-competitive
15 practices will not harm a customers' future growth. If the PSC does not
16 mandate the porting of unused and reserved numbers, BST can paralyze its
17 customers with cautionary warnings of future numbering difficulties.

18 **Q. WOULD PERMANENT LOCAL NUMBER PORTABILITY, IF**
19 **IMPLEMENTED AS DESCRIBED ABOVE, HAVE OTHER**
20 **BENEFITS?**

21 A. Yes. Fully implemented permanent local number portability will relieve
22 number shortages and thus minimize the need for new NPAs. First, it will
23 allow numbers to be "recycled" as customers shift to different providers,
24 rather than requiring that customers give up their existing number and take a
25 new number from the competitor. More importantly, it will allow utilization

1 of the many individual telephone numbers that are today assigned to a
2 particular LEC switch but which are not in use. Those unused numbers can
3 be reassigned under true local number portability to serve new customers,
4 permitting improved utilization of number resources in existing NPAs.
5 Consequently, in order to best utilize number resources, under true local
6 number portability all unused (or unassigned) numbers in the existing NPA
7 should be made available for assignment to carriers upon reasonable request.

8 Unfortunately, there is no guarantee as to when true local number
9 portability will be implemented. While it is true that BST is scheduled to
10 implement permanent local number portability in the Miami area by the end
11 of the 2nd quarter of 1998, TCG has no assurances that this deadline will be
12 met or that implementation difficulties will not arise. Until true local number
13 portability is universally workable and available in the existing 305 NPA, its
14 benefits will not be achieved.

15 **Q. ARE THERE STEPS THE PSC COULD TAKE TO MITIGATE THE**
16 **CONCERNS OF THE CELLULAR INDUSTRY THAT GEOGRAPHIC**
17 **SPLITS REQUIRE MANY CELLULAR CUSTOMERS TO**
18 **REPROGRAM THEIR PHONES?**

19 **A.** Yes. The PSC can adopt a geographic split **and** permit customers of cellular
20 carriers to retain their current area code, thereby satisfying the anti-
21 competitive concerns of ALECs and eliminating the business expense cellular
22 carriers will incur. By permitting existing cellular customers to retain their
23 existing NPA, cellular carriers can avoid the business expense of
24 reprogramming cellular phones.

1 Q. HAVE ANY OTHER STATE UTILITY COMMISSIONS
2 "GRANDFATHERED" CELLULAR NPA-NXX CODE?

3 A. Yes. To name a few, Massachusetts, Illinois, Missouri, California, New
4 Jersey have permitted grandfathering. Additionally, in Michigan the industry
5 reached consensus on this issue.

6 Q: IS A GEOGRAPHIC SPLIT THAT PERMITS EXISTING CELLULAR
7 CUSTOMERS TO RETAIN THEIR EXISTING AREA CODE A
8 TECHNOLOGY SPECIFIC OVERLAY?

9 A: No. At area code relief meetings, at which industry participants attempt to
10 select the best form area code relief, many NPA code administrators propose
11 various geographic split alternatives. Often times each geographic split
12 proposal presented is considered from two perspectives. First, the split is
13 examined without grandfathering cellular carriers NXX codes; and second, the
14 geographic split is considered with the grandfathering assumption.

15 Because under the grandfathering proposal, both area codes, the new
16 and existing, will have wireless carriers and wireline carriers, this should not
17 qualify as a technology specific split.

18 For new code requests the wireless carriers, like the wireline carriers,
19 would have to order codes in the respective NPA. However, this does not
20 place an additional burden on the wireless carriers because any NXX codes
21 ordered in the new NPA will be for new customers. There are no
22 reprogramming issues with a new customer, therefore there is no additional
23 burden.

1 **Q: WILL THE EXISTING CUSTOMERS OF CELLULAR CARRIERS**
2 **HAVE TO DIAL 10 DIGITS FOR ALL CALLS IF THE PSC ADOPTS**
3 **THE PLAN CONTEMPLATED ABOVE?**

4 A: No. When cellular end users and wireline end users call a wireline end user
5 in the same NPA, it is my understanding that can still dial seven digits. Only
6 when a wireless end user and wireline end user in the preexisting NPA call
7 someone in the new NPA will ten digit dialing be required. For this reason,
8 end users will dial ten digits far less than they would if the PSC adopts an
9 overlay.

10 **Q: SOME PARTIES MAY ARGUE THAT IN THE FUTURE 10 DIGIT**
11 **DIALING IS INEVITABLE. THUS, THE PSC SHOULD APPROVE**
12 **AN OVERLAY TODAY RATHER THAN TOMORROW. DO YOU**
13 **AGREE THAT TEN DIGIT DIALING IS INEVITABLE?**

14 A: No. While some of the parties advocating an overlay may argue that growth
15 in new technologies makes overlays in the future inevitable, they neglect the
16 possibility that new technologies and alternative numbering assignment plans
17 can be developed to delay the exhaust of NPAs. These new technologies or
18 numbering assignment plans could help ensure that all numbering resources
19 are fully utilized before a new area code relief plan is contemplated.

20 Consider this, after the PSC approves an NPA relief plan for 305,
21 Florida will have nine (9) NPAs in the state. Those nine NPAs can serve at
22 least 72,000,000 access lines. With a state population of nearly 14,500,000,
23 that translates into five (5) phone numbers for every man, woman and child --
24 a family of five would need 25 telephone numbers assigned to it to exhaust all
25 the NPAs in Florida.

1 The consumers of Florida may be far better served by the
2 telecommunications industry if industry participants spent less time advocating
3 the implementation of overlays on top of overlays and more time searching for
4 more effective methods to utilize the existing numbering resources

5 **Q: YOU ADDRESSED THE ISSUE OF NUMBERING RESOURCES**
6 **STATING FLORIDA WILL HAVE ROUGHLY 72,000,000 NUMBERS**
7 **AVAILABLE AFTER THE 305 NPA IS RELIEVED. IF FLORIDA**
8 **HAS SO MANY TELEPHONE NUMBERS WHY IS IT FACING AN**
9 **EXHAUST IN TWO NPAS?**

10 **A:** Undeniably, technology has spawned great demand for numbering resources
11 for pagers, faxes and wireless phones. But that is only part of the picture.
12 Current industry practice is such that ALECs must obtain a unique NXX code
13 for each rate center established by BST. Currently, ALEC assigned NXX
14 codes must match BST rate centers and can only cover the same geographic
15 area associated with that rate center. This means that TCG must obtain a full
16 10,000 block NXX code for each associated rate center. Even if TCG only
17 forecasts demand of 500 customers out of a given rate center, it must order
18 a full 10,000 block NXX code. This is an inefficient manner in which to
19 assign blocks of telephone numbers which does not benefit the ALEC's

20 Understanding the rate center regime is critical because it clearly
21 reveals why there are so many area codes facing exhaustion and why there are
22 so many jeopardy code meetings across the country to ration existing NXX
23 codes. If all the ALECs must match rate centers, a ALEC is left no choice but
24 to order the necessary number of NXXs to cover its entire service area within
25 an NPA. If, for example, there are 100 rate centers in a particular NPA, then

1 each ALEC must order 100 NXXs to adequately serve that geographic area.
2 If there are four ALECs seeking to match those 100 rate centers, then 400
3 NXX codes (4,000,000 numbers) must be assigned. To comply with BST's
4 rate center regime, a ALEC must assign a full block of 10,000 numbers
5 regardless of how many customers a ALEC wiii serve out of a rate center
6 This is wasteful because ALECs may only have a fill factor of 1,000 numbers
7 at a given rate center, thereby leaving 9,000 numbers inactive.

8 TCG recognizes that this is inefficient but given BST's rate center
9 regime, it has no alternative but to order NXXs so it can meet the geographic
10 demand of its customers.

11 **Q: THE EXAMPLE YOU GIVE ABOVE ADDRESSES HOW ALECS**
12 **MUST MATCH RATE CENTERS; YOU DID NOT MENTION**
13 **WIRELESS CARRIERS OR PAGING COMPANIES. WHY?**

14 **A:** Unlike ALECs which must serve customers by matching a BST rate center,
15 wireless carriers and paging companies are not necessarily tied to rate centers.
16 These companies can serve all customers within a market trading area
17 ("MTA") from a single NXX code. These carriers have a competitive
18 advantage over ALECs in that they can utilize their numbering resources far
19 more efficiently than ALECs which are forced to assign numbers to customers
20 from a rate center matching NXX code.

21 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

22 **A. Yes.**