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February 2, 2001

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

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01 FEB -2 PM 4:38
RECORDS AND REPORTING

Re: Docket No. 000604-TL

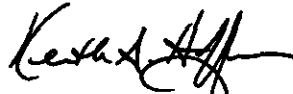
Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of Verizon Wireless ("Verizon") are the original and fifteen copies of the Prefiled Direct Testimony of Dana Smith.

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

Thank you for your assistance with this filing.

Sincerely,



Kenneth A. Hoffman

- APP KAH/rl
- CAF Enclosures
- CMP
- COM *Stacy*
- CTR
- ECR
- LEG
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DOCUMENT NUMBER-DATE

01559 FEB-26

FPSC-RECORDS/REPORTING

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February 2, 2001

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Prefiled Direct Testimony of Dana

Smith was served by U.S. Mail on this 2nd day of February, 2001, to the following:

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February 2, 2001

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KENNETH A. HOFFMAN, ESQ.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for review of proposed)
numbering plan relief for the 941 area code)
_____)

Docket No. 000604-TL

Filed: February 2, 2001

PREFILED DIRECT TESTIMONY OF

DANA SMITH

FILED ON BEHALF

OF

VERIZON WIRELESS

KENNETH A. HOFFMAN, ESQ.
Rutledge, Ecenia, Purnell & Hoffman, P.A.
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DOCUMENT NUMBER-DATE

01559 FEB-20

FPSC-RECORDS/REPORTING

1 **Q. PLEASE STATE YOUR NAME AND PROVIDE YOUR BUSINESS**
2 **ADDRESS.**

3 A. My name is Dana Smith and my business address is Six Campus Drive,
4 Westlake, TX 76262.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by Verizon Wireless (“VZW”) as a Member of Technical
7 Staff, Numbering Policy & Standards.

8 **Q. PLEASE DESCRIBE YOUR BUSINESS EXPERIENCE.**

9 A. I joined VZW in April 2000 as part of the Bell Atlantic-GTE merger and am
10 responsible for the company’s participation in NPA planning relief for the
11 states of Florida, Texas and Illinois, as well as other states in our Southeast,
12 South Central and Great Lakes areas of operation. Prior to that, I was the
13 Numbering Manager for PrimeCo Personal Communications.

14 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.**

15 A. I have a Bachelor's of Business Administration from the University of North
16 Texas in Denton, Texas.

17 **Q. PLEASE DESCRIBE VZW’S OPERATIONS.**

18 A. VZW is a wireless communications service provider and operates under FCC
19 licenses for several service areas in Florida. VZW is the largest wireless
20 communications provider in the U.S. with more than 26 million wireless
21 voice and data customers and 3.5 million paging customers. The new coast-
22 to-coast wireless provider was formed by the combination of the U.S.
23 wireless businesses of Bell Atlantic Corporation and GTE Corporation - now
24 Verizon Communications (NYSE:VZ) - and Vodafone AirTouch (NYSE and
25 LSE: VOD). The new company includes the assets of AirTouch Cellular,

1 AirTouch Paging, Bell Atlantic Mobile, GTE Wireless, and PrimeCo
2 Personal Communications.

3 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
4 **PROCEEDING?**

5 A. The purpose of my testimony is to discuss code exhaustion issues for the 941
6 Numbering Plan Area (“NPA”) from the perspective of a cellular
7 communications service provider, what is often referred to as “commercial
8 mobile radio services” or “CMRS.” In particular, I will address the issues
9 identified in the Florida Public Service Commission’s (“Commission”) Order
10 Establishing Procedure in this docket issued January 11, 2001.

11 **Q. SHOULD THE COMMISSION APPROVE THE INDUSTRY’S**
12 **CONSENSUS RELIEF PLAN FOR THE 941 AREA CODE?**

13 A. Yes, the Commission should approve the industry’s consensus relief plan for
14 the 941 area code. The industry recommended Alternative #1, an all-services
15 “distributed” overlay for 941, as the optimal alternative. An overlay plan has
16 several advantages. Overlays avoid the problems associated with splintering
17 communities of interest into ever-smaller parts, including forced number
18 changes, and allow more flexibility to assign resources once number
19 conservation measures are implemented. Although overlays require ten-digit
20 dialing, geographic splits increase the amount of ten-digit dialing as well.
21 Once a split is adopted, the frequency of ten-digit dialing increases because
22 the universe of numbers dialable with seven digits shrinks as communities are
23 further fractured, creating additional dialing confusion. As the Federal
24 Communications Commission recently recognized, overlays yield numbers
25 that are available for use throughout the entire geographic area covered by the

1 old NPA, allowing resources to follow demand throughout an area receiving
2 relief. As a result, forecasting number utilization will be more accurate if an
3 overlay is implemented. [See Numbering Resource Optimization, *Second*
4 *Report and Order, Order on Reconsideration in CC Docket No. 96-98 and*
5 *CC Docket No. 99-200, and Second Further Notice of Proposed Rulemaking*
6 *in CC Docket No. 99-200*, released December 29, 2000 at ¶ 66 (“Second
7 NRO Order”)].

8 Verizon Wireless strongly supports implementation of an overlay
9 because all three of the geographic split alternatives will impact our
10 customers and business negatively. A geographic split may require area code
11 changes for tens of thousands of VZW customers. Therefore, the split
12 alternatives before the Commission are equally unacceptable.

13 An overlay makes sense given the history of this area code.
14 Specifically, the 941 NPA was just split last year. Mandatory dialing for the
15 941/863 split began May 22, 2000 and by July, 2000 the industry was already
16 attending a new round of relief planning meetings for the 941 NPA due to the
17 faulty split line. Now that the Commission must provide relief for the 941
18 NPA again in such a short timeframe, an overlay is warranted to avoid the
19 difficulties of determining an appropriate split line and to avoid fracturing the
20 941 NPA into even smaller parts.

21 **Q. IF THE COMMISSION DOES NOT APPROVE THE INDUSTRY’S**
22 **CONSENSUS RELIEF PLAN FOR THE 941 AREA CODE, WHAT**
23 **ALTERNATIVE RELIEF PLAN SHOULD THE COMMISSION**
24 **IMPLEMENT?**

1 A. Verizon Wireless strongly supports adoption of an all-services “distributed”
2 overlay. If the Commission chooses to order a split instead of the industry-
3 recommended overlay, wireless carriers must have the option to
4 “grandfather” their NXXs, allowing subscribers in those NXXs to retain their
5 telephone numbers in the old NPA. Geographic splits impose a
6 disproportionate and unique negative impact on wireless customers and
7 carriers. That burden results from the need to reprogram wireless handsets
8 with the customer’s new telephone number. Unlike wireline telephone
9 numbers, the telephone numbers of VZW’s wireless customers are
10 programmed or coded into our customers’ individual handsets. The assigned
11 number cannot be changed at the switch or other remote point, but rather
12 must be done for each individual handset. Granting wireless carriers the
13 option to grandfather or retain the telephone numbers for its existing
14 customer base would spare tens of thousands of Floridians the need to have
15 their handsets reprogrammed. Grandfathering is consistent with the
16 Commission’s number conservation objectives, because wireless carriers
17 would continue to serve customers from their existing inventory of numbers
18 until reaching a prescribed utilization threshold before seeking new codes, as
19 required by the FCC’s rules regarding number utilization efficiency.

20 Verizon Wireless recognizes that states are reluctant to implement
21 area code changes because of the disruption and inconvenience to the public.
22 In an effort to minimize disruptions to customers associated with area code
23 relief, while preserving the ability of all carriers to obtain numbering
24 resources when needed, VZW supported a phased-in-overlay proposal that
25 is presently before the FCC for consideration. The proposal and VZW’s *Ex*

1 *Parte* letter to the FCC supporting the proposal are attached as Exhibit ____
2 (DS-1).

3 **Q. WHAT NUMBER CONSERVATION MEASURES, IF ANY,**
4 **SHOULD THE COMMISSION IMPLEMENT?**

5 A. In September, 1999, the FCC granted the Florida Commission interim
6 authority to institute thousands-block pooling trials; reclaim unused and
7 reserved NXX codes; maintain rationing for six months following area code
8 relief; set numbering allocation standards; require the submission of
9 utilization data from all carriers; and implement code sharing. Subsequent
10 FCC orders have superseded or altered specific grants of authority to
11 individual states, and any conservation measures adopted by the Commission
12 must be consistent with the FCC's orders and regulations.¹ The imposition
13 of reasonable reclamation procedures, a utilization threshold, and thousands
14 block number pooling for LNP-capable carriers early in the life of the new
15 NPA would do much to maximize code utilization. The FCC has prescribed
16 that carriers meet a utilization threshold or fill rate for assigned numbers
17 beginning at 60% and increasing by 5% over three years to 75%. Verizon
18 Wireless supports a uniform national threshold and, therefore, urges the
19 Florida Commission to set its threshold initially at 60%, with increases over
20 time up to 75%. In addition, the Florida Commission should adopt a "safety
21 valve." As the FCC has recognized, by proposing the need for a safety valve
22 procedure to access numbers in the Further Notice to the Number Resource
23 Optimization proceeding, stringent use of a fill rate may impede a carrier's

¹See In the Matter of Numbering Resource Optimization, Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 99-200, released March 31, 2000, at ¶ 7.

1 ability to meet actual customer demand.² A safety valve is essential,
2 especially because under the FCC's fill rate calculation, only "assigned"
3 numbers are included in the numerator, overestimating the amount of
4 numbers truly available to carriers to assign to customers. For example,
5 intermediate numbers that carriers supply to resellers are not available for
6 assignment, yet the FCC's formula for determining the fill rate treats
7 intermediate numbers as if they were available to the underlying carrier. For
8 this reason, if the Florida Commission should set a fill rate, it should begin
9 at the lower end of the permissible range, and allow for a safety valve
10 whereby carriers could access numbers regardless of the fill rate, if actual
11 need can be demonstrated.

12 **Q. IF NUMBER CONSERVATION MEASURES ARE TO BE**
13 **IMPLEMENTED, WHEN SHOULD THEY BE IMPLEMENTED?**

14 A. Number conservation measures should be implemented as soon as
15 practicable. However, number conservation is not a substitute for area code
16 relief when an area code is already too far depleted to meet numbering needs
17 of all carriers. The Commission must recognize that wireless carriers will not
18 be able to receive numbers from thousand-block number pools until they are
19 LNP capable. FCC rules do not require this capability until November 24,
20 2002. The Commission must ensure that full NXX codes are available for
21 assignment to wireless carriers, until wireless carriers can participate in
22 pooling.

²See *In the Matter of Numbering Resource Optimization, Second Report and Order, Order on Reconsideration in CC Docket No. 96-98 and CC Docket No. 99-200, and Second Further Notice of Proposed Rulemaking in CC Docket No. 99-200*, released December 29, 2000 at ¶¶ 186-189.

1 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

2 **A. Yes, it does.**

3

RECEIVED **verizon**wireless

NOV 21 2000

Verizon Wireless
1300 I Street NW
Suite 400 West
Washington, DC 20005

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

November 21, 2000

VIA HAND DELIVERY

Magalie R. Salas, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Notice of Written *Ex Parte* Presentation
Numbering Resource Optimization – CC Docket No. 99-200

Dear Ms. Salas:

Pursuant to Sections 1.1206(b)(1) of the Commission's Rules, Verizon Wireless and Verizon Wireless Messaging Services ("Verizon Wireless") submit this notice in the above-captioned docketed proceeding of a written *ex parte* presentation to Yog Varma, Deputy Bureau Chief, Common Carrier Bureau of the Federal Communications Commission. The presentation was a letter dated November 20, 2000 from John Scott and Anne Hoskins, both of Verizon Wireless, to Mr. Varma.

Copies of the letter were also hand delivered to the following FCC personnel: Thomas J. Sugrue, Dorothy Attwood, L. Charles Keller, Kris Monteith, Diane Griffin Harmon, David Furth, Blaise Scinto, Aaron Goldberger, Cheryl Callahan, Jennifer Salhus, Patrick Forster, Joe Levin, and Elias Johnson.

Pursuant to Sections 1.1206(b)(1) and (2), an original and one copy of this *ex parte* notification (with attachments) are provided for inclusion in the public record of the above-referenced proceeding. We would be pleased to provide additional copies of the written materials upon request. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,



John T. Scott, III
Anne Hoskins



November 21, 2000

Verizon Wireless
1300 I Street NW
Suite 400 West
Washington, DC 20005

EX PARTE FILING

Mr. Yog Varma
Deputy Chief, Common Carrier Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**Re: Proposal for Phased-In Overlay Relief
CC Docket 99-200**

Dear Mr. Varma:

On November 15, 2000, Verizon Wireless and Verizon Wireless Messaging Services (collectively "Verizon Wireless") joined a large group of wireless carriers in submitting a proposal for phased-in area code relief.^{1/} Verizon Wireless urges the FCC to adopt this proposal and to provide the necessary authority to state regulatory commissions to implement it. The phased-in overlay proposal serves the public interest because it (a) creates another tool for state regulatory commissions to provide non-pooling carriers with telephone numbers in NPAs where pooling has been implemented, (b) optimizes number usage, (c) is not unreasonably discriminatory, and (d) can help carriers gain access to numbers they need to serve their customers. The proposal also provides a mechanism to end the over-reliance by state regulatory commissions on restrictive rationing (unrelated to carrier or customer need).

In the NRO Notice last year, the Commission decided to "reexamine [its] policies with respect to service-specific and technology-specific overlays, and to consider whether [it] should modify or lift the restriction on these area code relief methods."^{2/} In this regard, the Commission asked: "if we were to adopt pooling requirements for LNP-capable carriers, should we consider allowing the creation of overlay area codes specifically for carriers that are not LNP-capable?"^{3/}

^{1/} See Letter to Yog Varma, Deputy Chief, Common Carrier Bureau, from Judith St. Ledger-Roty, CC Docket No. 99-200 (Nov. 15, 2000).

^{2/} Numbering Resource Optimization, Notice of Proposed Rulemaking, 14 FCC Rcd 10322, 10431 (1999) ("NRO Notice").

^{3/} NRO Notice, 14 FCC Rcd at 10432. Many carriers, including Verizon Wireless, opposed the use of technology specific overlay codes because of their pernicious effect on competition. Verizon Wireless' opposition to technology specific overlays has not abated. The phased-in overlay proposal is neither technology specific nor unreasonably discriminatory.

The time is now ripe to address this issue and to authorize the use of phased-in overlays. The phased-in overlay proposal is directly responsive to the NRO Notice's question of whether the creation of overlay codes for non-pooling capable carriers is appropriate concurrent with the implementation of pooling for other carriers. As the Commission has emphasized consistently upon delegating authority to states to institute pooling trials, all carriers, including those that cannot pool, must continue to have non-discriminatory access to numbers.⁴ This is not occurring in many states, leaving non-pooling capable carriers with shortages of numbers to serve their customers. Verizon Wireless is willing to be served out of a phase-in overlay code, as long as the FCC prohibits states from using arbitrary rationing to extend NPA lives artificially. The phased-in overlay proposal provides state commissions with an additional tool to fulfill their obligations pursuant to their delegated authority.

The Commission's inquiry received responses from every sector of telecommunications industry, as well as state regulators and end users.⁵ Most of the commenters opposed technology-specific overlays for two key reasons: (1) they are discriminatory and anti-competitive;⁶ and (2) they will not help conserve numbers. However, several state regulators supported the introduction of specialized overlays, arguing that states need additional flexibility to address numbering issues.⁷

⁴ See, e.g., Arizona Corporation Commission et al. Petition for Delegated Authority to Implement Number Conservation Measures. DA 00-1616 ¶ 11 (July 20, 2000) (deciding 15 state petitions).

⁵ See Comments filed in response to the NRO Notice.

⁶ See, e.g., GTE Comments at 74 ("with a technology-specific or service specific overlay, the affected carriers and their customer bear a disproportionate share of the burden associated with implementing a new NPA. This unequal burden would constitute both an unreasonable discrimination and an unreasonable practice."); Paging Network Comments at 5 ("Wireless-specific overlays erect unnecessary obstacles to competition between wireline and wireless services without any tangible off-setting benefits."); VoiceStream Comments at 31 ("technology- and service-specific overlays are, by their very nature, discriminatory and should never be an option.").

⁷ See Connecticut Department of Public Utility Control Files Petition for Rulemaking, Public Comment Invited. *Public Notice*, RM No. 9258 (rel. 1998) ("Connecticut Petition"); Common Carrier Bureau Seeks Comment on Massachusetts Department of Telecommunications and Energy Petition for Waiver to Implement a Technology-Specific Overlay in the 508, 617, 781, and 978 Area Codes, *Public Notice*, DA 99-460, (rel. March 4, 1999) ("Massachusetts Petition"); Common Carrier Bureau Seeks Comment on a Petition of the California Public Utilities Commission and the People of the State of California for a Waiver to Implement a Technology-Specific or Service-Specific Area Code, *Public Notice*, NSD File No. L-99-36, DA 99-929 (rel. May 14, 1999) ("California Petition"). In addition, several states filed comments to the NRO Notice supporting specialized overlays. See California PUC Comments at 46; Connecticut DPUC Comments at 8; Maine PUC Comments at 27; New Hampshire PUC Comments at 21; New Jersey BPU Comments at 7; New York DPS Comments at 22; Ohio PUC Comments at 40. A joint outline developed by these states, together with Massachusetts, North Carolina, Texas, Washington, and Wisconsin, also expressed support for specialized overlays. See, e.g., Joint State Outline at 42, Attachment A to Massachusetts DTE Comments. North Carolina, Texas, Washington, and Wisconsin, however, did not specifically submit or endorse the outline in their comments. Moreover, North Carolina took a position supporting the reexamination of specialized overlays, but it did not specifically support the use of such overlays. See North Carolina PUC Comments at 18. But see Colorado PUC Comments at 13 (opposing the use of technology-or service specific overlays).

Consistent with the concerns voiced in many of those comments, the Commission has rejected the use of technology-specific overlays, due to the discriminatory impact on wireless carriers.⁸ The FCC need not overturn this precedent to authorize the use of phased-in overlays. As demonstrated below, the phased-in overlay proposal is neither technology specific nor is it unreasonably discriminatory. Rather, the proposal promotes competitive equity by facilitating access to numbers for all carriers.

First, a central component of the phased-in overlay proposal is the prohibition against "take-backs" of existing numbers from non-pooling capable carriers. Specifically, the proposal forbids states from requiring non-pooling carriers to return numbers from the old area code.⁹ This prohibition avoids the discrimination inherent in numbering relief plans that require the take-back of NXXs from carriers using the new code. As the Commission has found in rejecting service-specific overlays in the past, number take-backs are an unacceptably discriminatory aspect of such proposals.¹⁰ As the Commission aptly noted, wireless companies are placed at a distinct disadvantage by take-back proposals because wireless customers suffer the cost and inconvenience of surrendering existing numbers, bringing handsets to service centers for manual reprogramming, changing over to new numbers, and informing callers of the new number.¹¹

Second, unlike technology-specific overlays, phased-in overlays would be available to all non-pooling capable carriers, including landline carriers that are not LNP-capable. Indeed, the proposal is designed to ensure that the overlay NPA becomes an all-services overlay NPA once the existing NPA is exhausted.¹² This also eliminates any possibility that the new overlay code is wasteful or inefficient because it enables all carriers to eventually share the new numbering resources from the phased-in overlay.

Third, any discriminatory impact is temporary. In particular, the proposal directs the NANPA not to release codes from the new NPA until pooling has been or is about to be implemented and the original area code has a relatively small number of full codes remaining.¹³

⁸ See Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech-Illinois, 10 FCC Rcd 4596, 4604-08, ¶ 20 (1995) ("Ameritech Order"); see also Second Local Competition Order, 11 FCC Rcd 19392, 19508, 19518 (1996) (holding that a service-specific overlay proposed by the Texas Public Utilities Commission violated the Ameritech Order.)

⁹ Nothing in the proposal alters the current Commission's rules regarding the return of NXXs codes to NANPA which are not assigned and used within the timeframes specified by the Commission's rules.

¹⁰ Ameritech Order at 4608, ¶27.

¹¹ Id.

¹² In addition, once covered CMRS carriers are required to implement local number portability and pooling, the overlay code will have both non-pooling carriers (predominately paging and SMR) and pooling carriers (e.g., covered CMRS carriers) using it.

¹³ The proposal's use of a specific number of remaining codes, rather than a months-to-exhaust formula is objective and will avoid varying interpretations and misunderstandings. In addition, state commissions

Moreover, the overlay will be open to all carriers when there are no NXX codes remaining in the original NPA to serve the needs of pooling carriers. Linking the phased-in overlay to pooling ensures that non-pooling carriers will not be disadvantaged in areas where all carriers are seeking full NXX blocks. Similarly, this restriction minimizes the possibility that the exclusion of certain carriers from the remaining NXX codes of an original NPA would have a negative effect on competition.¹⁴ In crafting this proposal, the wireless carriers took into account local numbering conditions by tying when codes may be activated in the new overlay NPA to how many codes remain in the existing NPA and how many may be needed, rewarding states that have adopted significant rate center consolidation, while not punishing those states which have not. Specifically, if a state has a significant number of rate centers, the proposal allows for a greater number of codes to remain in the existing NPA, recognizing the likelihood that the existing NPA will exhaust more rapidly.

The fact that the phased-in overlay will be limited in duration also alleviates concerns about the inefficiencies of restricting NPAs to non-pooling capable carriers. In New York, the only place where a technology-specific overlay has been implemented, the Public Service Commission ultimately opened the 917 overlay to all carriers because the NPA serving landline carriers (212) had exhausted before a new NPA could be implemented. The phased-in overlay proposal would automatically open the overlay code as soon as the Pooling Administrator requires additional NXXs to meet the needs of the pool. In addition, because state commissions may pursue this phased-in approach only in areas in which the original NPA is near the end of its life, adoption of the proposal would help preserve the North American Numbering Plan ("NANP"). In contrast, permitting the establishment of new NPAs where area code relief is not essential could lead to premature NANP expansion.

Fourth, the proposal allows for a temporary waiver of the Commission's ten-digit dialing requirement. Pursuant to Section 1.3 of the FCC rules, the Commission may grant a waiver upon a showing of "good cause." Good cause is demonstrated by special circumstances warranting a deviation from a general rule where such deviation will serve the public interest.¹⁵ A temporary waiver is justified because phased-in overlays will provide a critical additional tool for number optimization. The phased-in overlay proposal has definite triggers and stops, is designed to overcome the pitfalls associated with previous service-specific overlay proposals, and strikes a must authorize relief in time for all carriers operating in the geographic area to make necessary network modifications.

¹⁴ The proposal provides for a limited deferral period for mandatory 10-digit dialing, which would end as soon as the new overlay becomes an all services overlay. This is another reason that limiting the period during which only non-pooling carriers are segregated into the new code is important.

¹⁵ In the Matter of Illinois Commerce Commission Petition for Expedited Temporary Waiver of 47 C.F.R. Section 52.19(c)(3)(ii), Illinois Order, CC Docket No. 96-98, (rel. March 2, 2000), at ¶ 6; In the Matter of New York Department of Public Service Petition for Expedited Temporary Waiver of 47 C.F.R. Section 52.19(c)(3)(ii), Order, CC Docket No. 96-98, (rel. July 20, 1998), at ¶ 5; In the Matter of Public Utility Commission of Texas Petition for Expedited Temporary Waiver of 47 C.F.R. Section 52.19(c)(3)(ii) for Area Code Relief, Texas Order, CC Docket No. 96-98, (rel. October 23, 1998), at ¶ 6.

careful balance between conservation, competition and non-discriminatory access to crucial numbering resources. Non-pooling carriers will have equitable access to numbering resources, as required by the Commission's rules; and states may pursue pooling trials and other conservation initiatives, while meeting their obligations to the public and preserving competition.

In addition to the general waiver standard, the FCC has employed three factors specific to waiving the ten-digit dialing rule temporarily: (1) insufficient time to adjust telecommunications networks for the change to ten digit dialing; (2) insufficient time to educate customers to the change in dialing patterns; and (3) conditions relating to geographic uniformity in the areas affected that weigh in favor of a temporary delay.¹⁶ Both the customer education and geographic uniformity standards support the concept of waiting until all carriers are served out of the phased-in overlay before imposing the ten-digit dialing requirement. Notably, the proposal requires permissive ten-digit dialing once the first code is assigned from the new overlay code. This will enable carriers to begin the process of educating consumers and businesses about the new overlay code and thereby minimize any confusion or disruption when mandatory 10-digit dialing is implemented.¹⁷

The Commission has stated that the purpose behind requiring ten-digit dialing when an area code overlay is activated is to ensure that competition is not deterred (as a result of local dialing disparity). Competition by and among wireless carriers is being threatened most today, however, by a shortage of available NXX codes. The dialing disparity will be minimized by the time limits incorporated within the phased-in overlay proposal. The underlying policy behind the ten-digit dialing rule, *i.e.*, the preservation of competition, is thus promoted by the phased-in overlay proposal.

Fifth, by requiring that the new overlay NPA conform to existing NPA boundaries, the proposal is designed to ensure that it can become an all-services overlay once the Pooling Administrator needs codes. This will allow states to overlay the code over either single or multiple existing NPAs, but will not create a situation where the overlay NPA has a different geographic area than existing NPAs. This will also serve to minimize customer confusion.

¹⁶ Illinois Order, at ¶ 3; Texas Order at ¶ 7.

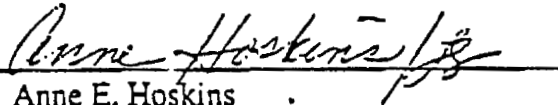
¹⁷ Sufficient time should be provided to facilitate effective customer education regarding the dialing change.

Although prompt area code relief without regard to pooling capability is the optimal approach for providing numbering resources, it is clear that many states are unwilling to order such relief when pooling is available. Accordingly, Verizon Wireless urges the FCC to adopt the phased-in overlay proposal expeditiously to ensure that the numbering needs of non-pooling carriers are fulfilled consistent with the Telecommunications Act and FCC mandates.

Respectfully,

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