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November 22, 2004

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
& Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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Re: **Docket No. 040326-TP**

Dear Ms. Bayó:

Enclosed for filing on behalf of Sprint Spectrum, L.P. d/b/a Sprint PCS are the original and 15 copies of Sprint's Direct Testimony of Hoke R. Knox and exhibit.

Copies are being served on the parties in this docket pursuant to the attached certificate of service.

Please acknowledge receipt of this filing by stamping and initialing a copy of this letter and returning same to my assistant. If you have any questions, please do not hesitate to call me at 850/599-1560.

Sincerely,

Susan S. Masterton

Susan S. Masterton

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**CERTIFICATE OF SERVICE
DOCKET NO. 040326-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. mail on this 22nd day of November, 2004 to the following:

Florida Public Service Commission
Jeremy Susac
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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Tallahassee, FL 32302



Susan S. Masterton

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DOCKET NO. 040326-TP**

3 **DIRECT TESTIMONY**

4 **OF**

5 **HOKE R. KNOX**

6
7 **Q. Please state your name and business address.**

8 A. My name is Hoke R. Knox. I am Senior Manager Regulatory Policy for Sprint
9 Corporation. My business address is 6450 Sprint Parkway, Overland Park,
10 Kansas 66251.

11
12 **Q. Please describe your educational background and work experience.**

13 A. I hold a B.S. in Business Administration from North Carolina Wesleyan College,
14 an A.A.S. in Industrial Management Technology from Pitt Community College,
15 and an A.A.S. in Electronics Technology from Pitt Technical Institute. I have
16 worked for Sprint since October 1969. Prior to my current position, I have held
17 several positions with Sprint in the areas of network switching, traffic staff
18 supervisor-traffic engineering, senior engineer-network planning, product
19 development manager, manager-network planning, manager-architecture &
20 strategic planning. My work experience has been in both the Local and Long
21 Distance divisions of Sprint. In my current position, I have responsibility for
22 developing state and federal regulatory and legislative policy for Sprint's local,
23 long distance, and wireless divisions. While my testimony is filed on behalf of

1 Sprint PCS, my views reflect those of Sprint Corporation as a whole.

2

3 **Q. What is your experience with respect to numbering issues?**

4 A. I serve as Sprint's primary member to the North American Numbering Council
5 (NANC) and I also serve as the Co-Chair of NANC. I am serving as Co-chair of
6 the NANC's Future of Numbering Working Group. I chaired the NANC's
7 Intermodal Porting Interval Issues Management Group (IMG). I served as Co-
8 chair of the North American Numbering Council's Local Number Portability
9 Administration (LNPA) Architecture Task Force (1996-1997). I also served as
10 Co-chair of the NANC's LNPA Wireless/Wireline Task Force (1997). I
11 represented Sprint as the voting member of the LNP, L.L.C. (1996-1997) in the
12 Mid-West Region. I represented Sprint at the Illinois Commerce Commission's
13 (ICC) Local Number Portability (LNP) Steering Committee (1995-1997), the
14 ICC's LNP SMS Subcommittee (1995-1996), the ICC's LNP Switching
15 Subcommittee (1995-1996), and the ICC's Number Pooling Subcommittee (1996-
16 1997). I also represented Sprint at the USTA's Numbering Planning
17 Subcommittee (1993-1995).

18

19 **Q. Are you an attorney?**

20 A. No. However, in the performance of my responsibilities described above, I am
21 required to understand and implement on a day-to-day basis the obligations
22 imposed on Sprint by the Communications Act of 1934 as amended by the
23 Telecommunications Act of 1996 ("the Act" or "the 1996 Act") and the resulting

1 rules and regulations of the Federal Communications Commission (“FCC”) and
2 state public utility authorities.

3

4 **Q. What is the purpose of your testimony in this proceeding?**

5 A. The purpose of my testimony is to demonstrate that Northeast Florida Telephone
6 Company, d/b/a NEFCOM (“NEFCOM” or “Petitioner”) has failed to establish
7 that it should be granted an indefinite suspension from the FCC’s rules under
8 Section 251(f)(2) of the Telecommunications Act and that the Florida Public
9 Service Commission (“Commission”) should deny NEFCOM’s Petition
10 Protesting Proposed Agency Action Order No. PSC04-0691-PAA-TL (the “PAA
11 Order”).

12

13 Sprint’s primary concern in this proceeding is Petitioner’s request for indefinite
14 suspension. In particular, Sprint strongly objects to a suspension until at least six
15 months following the Federal Communications Commission’s (“FCC”) full and
16 final disposition of the issues associated with the porting interval and the routing
17 of calls between wireline and wireless carriers. Sprint does not, however, object
18 to a limited suspension of NEFCOM’s porting obligation until January 6, 2005.

19

20 **Background**

21

22 **Q. Did Sprint request implementation of local number portability from**
23 **NEFCOM?**

1 A. Yes, pursuant to 47 C.F.R. 52.23(c), Sprint sent a bona fide request, or BFR, to
2 NEFCOM on May 23, 2003 (*See* HRK Exhibit 1). According to FCC Rule
3 52.23(c), a LEC must make a long-term database method for number portability
4 available within six months after a specific request from another
5 telecommunications carrier in which that telecommunications carrier is operating
6 or plans to operate. Indeed, Sprint sent BFRs to many wireline carriers near this
7 date so that Sprint would be prepared to port with both wireline and wireless
8 carriers on November 24, 2003 (*i.e.*, the date by which wireless carriers were to
9 be LNP capable).

10

11 Q. **Why did Sprint send a BFR to NEFCOM?**

12 Sprint sent BFRs to wireline carriers where Sprint has PCS coverage. Consistent
13 with the pro-competition rationale underlying LNP, Sprint sent BFRs to carriers
14 where it provides coverage in order to give as many consumers as possible the
15 opportunity to choose the service provider that best meet the consumer's needs.
16 Moreover, this method of determining where to send BFRs is completely
17 consistent with the federal rules which require only that a requesting
18 telecommunications carrier is operating or plans to operate in the requestee's
19 territory. The FCC affirmed Sprint's *modus operandi* in its November 10, 2003
20 Intermodal LNP Order in which it found that porting from a wireline carrier to a
21 wireless carrier is required where the requesting carrier's coverage area overlaps
22 the wireline company's service territory. *See, In the Matter of Telephone Number*
23 *Portability*, Memorandum Opinion and Order and Further Notice of Proposed

1 Rulemaking, CC Docket No. 95-116, ¶ 1 (rel. November 10, 2003).

2

3 **Q. What elements are necessary for a BFR to be considered valid?**

4 The FCC addressed this issue in its June 18, 2003 LNP Fourth Report and Order.

5 In this Order the FCC laid out the elements of a valid BFR. First, the carrier must
6 specifically request the implementation of LNP in its BFR. Second, the carrier
7 must identify the discrete geographic area covered by the request. Finally, the
8 carrier must provide a tentative date by which the requesting carrier expects to
9 provide portability. *See, In the Matter of Telephone Number Portability*, Fourth
10 Report and Order, CC Docket No. 95-116, ¶ 10 (rel. June 18, 2003).

11

12 **Q. Did Sprint's BFR to NEFCOM meet these elements of validity?**

13 A. Yes, the BFR that Sprint sent to NEFCOM clearly met these elements. With
14 respect to the first element—specific request for LNP—the top paragraph of
15 Sprint's BFR form states, "This form is used to request deployment of long-term
16 Local Number Portability as defined in the FCC mandates (CC Docket 95-116).
17 Specifically, this form requests that ALL codes be opened for portability within the
18 Metropolitan Statistical Area and wireline switch CLLI codes designated below."

19

20 With respect to the second element—discrete geographic area—Sprint's BFR lists
21 the wireline switch CLLI codes in which Sprint requested LNP implementation.
22 Sprint's BFR to NEFCOM lists two CLLI codes: MCLNFLXADS1 and
23 SNSSNFLXARS0.

1 With respect to the third element—date for implementation—Sprint’s BFR to
2 NEFCOM lists November 24, 2003 as the “Effective Date” for implementation. In
3 short, Sprint’s BFRs were valid and put Petitioner on notice of its intent to begin
4 porting on November 24, 2003.

5

6 **Q. You have made reference to a November 24, 2003 implementation date for**
7 **LNP, has this date been modified?**

8 A. Yes, the FCC essentially extended the LNP implementation date for small or 2%
9 LECs, such as Petitioner, until May 24, 2004. This applies to wireline carries
10 both inside and outside the Top 100 MSAs. Sprint has worked diligently to
11 extend LNP to as many markets and to as many consumers as possible by this
12 date.

13

14 **Failure to Satisfy Section 251(f)(2) Tests**

15

16 **Q. Please outline the Section 251(f)(2) requirements.**

17 A. Section 251(f)(2) of the Act authorizes LECs to “petition a State commission for a
18 suspension or modification of a requirement . . . of subsection (b),” which
19 includes the Section 251(b)(2) obligation to provide LNP. A state commission
20 must make two separate findings in order to grant such a Petition. First, it must
21 find that grant of the requested relief is necessary:

- 22 (i) to avoid a significant adverse economic impact on users of
23 telecommunications services generally;

- 1 (ii) to avoid imposing a requirement that is unduly economic
2 burdensome; or
3 (iii) to avoid imposing a requirement that it technically
4 infeasible.

5
6 Second, the state commission must additionally find that the requested relief is
7 consistent with the public interest, convenience and necessity.

8
9 **Q. Who bears the burden of meeting these statutory tests?**

10 A. FCC Rule 47 C.F.R. §51.405(b) provides that NEFCOM has the burden of
11 demonstrating that both prongs of the statutory test are satisfied. The Montana
12 Commission has provided some guidance in this regard, holding that a rural ILEC
13 bears a “heavy burden” and must make a “convincing showing that
14 interconnection and competition will cause certain harms”:

15 [I]t was the fundamental objective of Congress in passing the [1996]
16 Act to create competition in all telecommunications markets, for the
17 benefit of all telecommunications consumers, urban and rural. Given
18 this overarching legislative purpose, we find that requests to be exempt
19 from competition should not be granted lightly. Indeed, the language
20 of § 251(f)(2) creates a heavy burden for those who petition under it.

21 *See, Ronan Telephone Section 251(f)(2) Petition Denial Order*, Docket No.
22 D99.4.11, Order No. 6174c, 1999 Mont. PUC LEXIS 83 (Montana Public Service
23 Commission, Nov. 2, 1999).

1 The Ohio Commission has similarly held that grant of Section 251(f)(2) petitions
2 should be “the exception, rather than the rule”:

3 We believe that Congress did not intend to insulate smaller or rural
4 LECs from competition, and thereby prevent subscribers in those
5 communications from obtaining the benefits of competitive local
6 exchange service.

7 *See, Western Reserve Application*, Case Nos. 99-1542-TP-UNC and 00-430-TP-
8 UNC, 2002 Ohio PUC LEXIS at *13 (May 18, 2000), *quoting Local Competition*
9 *Order*, 11 FCC Rcd 15499, 16118 ¶ 1262 (1996).

10
11 And, very recently, the Indiana Utility Regulatory Commission (“IURC”)
12 referenced the FCC’s standard that “a carrier must show through ‘substantial
13 credible evidence’ the facts why it cannot meet the scheduled LNP deployment,
14 and provide a detailed explanation of the activities the carrier undertook before
15 requesting the extension to meet the schedule LNP implementation date.”

16 *See, In the Matter of Citizens Telephone Corporation, et al., Pursuant to Section*
17 *251(f)(2) of the Communications Act of 1934, As Amended, For Suspension of*
18 *Wireline-to-Wireless Number Portability Requirements*, Cause Nos. 42529, 42536
19 and 42550, Order approved May 18, 2004 (“Indiana Order”)

20 Also instructive is a recent FCC order denying a rural LEC’s request for LNP
21 waiver,

22 We find that NEP has not presented “extraordinary circumstances beyond

1 its control in order to obtain an extension of time.” Rather, NEP
2 consciously made a business decision to upgrade its switches on a certain
3 schedule. NEP has not shown that challenges it may face are different
4 from those faced by similarly situated carriers who are able to comply.
5 Generalized references to limited resources and implementation problems
6 do not constitute substantial, credible evidence justifying an exemption
7 from the porting requirements. NEP has known since 1996 that it would
8 need to support LNP within six months of a request from a competing
9 carrier. Although wireless LNP was delayed, all carriers have been on
10 notice since July 2002 that wireless and intermodal LNP would become
11 available beginning in November 2003. Thus, NEP has had sufficient
12 time to follow through with these mandates and prepare for LNP.

13 *See, In the Matter of Telephone Number Portability, Petition of the North-Eastern*
14 *Pennsylvania Telephone Company for Temporary Waiver of its Porting*
15 *Obligations*, CC Docket No. 95-116, Order, ¶ 10 (Rel. May13, 2004)(citations
16 omitted).

17

18 **Q. Has NEFCOM satisfied the requirements of Section 251(f)(2)?**

19 A. No, as detailed below, NEFCOM has failed to demonstrate that providing LNP to
20 wireless carriers:

- 21 ▪ Is technically infeasible;
- 22 ▪ Would be unduly economic burdensome; and/or
- 23 ▪ Would cause a significant adverse economic impact on

1 users of telecommunications services generally.

2 Nor has the Petitioner demonstrated how a Commission order precluding its
3 customers from enjoying new options (*i.e.*, porting their number to wireless
4 carriers) would promote the public interest. On the contrary, Sprint demonstrates
5 below that the public interest would be affirmatively harmed.

6

7 **Q. Before addressing the statutory criteria for an exemption, would you please**
8 **address the Petitioner's claim that there are a number of issues yet to be**
9 **resolved by the FCC?**

10 A. Yes. The Petitioner claims that there are a number of unresolved issues
11 surrounding LNP. This is simply not true. In fact, in its Order, *In the Matter of*
12 *Telephone Number Portability*, Memorandum Opinion and Order and Further
13 Notice of Proposed Rulemaking, CC Docket No. 95-116 (rel. November 10,
14 2003), the FCC has already rejected many of the Petitioner's arguments and
15 concluded:

16 ▪ LEC-wireless porting does not constitute geographic
17 location portability. ¶¶ 23-24, 26 and 28

18 ▪ LECs cannot require wireless carriers to interconnect
19 directly to their networks as a condition to providing LNP.
20 *ibid.*

21 ▪ LECs cannot require wireless carriers to obtain their own
22 set of telephone numbers as a condition to providing LNP.

23 ¶¶ 34-37

- 1 ▪ LECs cannot require wireless carriers to negotiate or
2 arbitrate an interconnection contract as a condition to
3 providing LNP. ¶ 28
4

5 In ¶ 28 of the November 2003 Order, the FCC further ruled that LEC-wireless
6 porting raises no issues of call rating or routing for LEC customer calls to wireless
7 customers with ported numbers. In point of fact, the manner that the Petitioner
8 will rate and route its customers' calls to wireless customers with ported numbers
9 is identical to the way they rate and route its customers' calls to wireless
10 customers with non-porting numbers. Sprint recognizes that there are some
11 outstanding issues before the FCC regarding transport; however, in footnote 75 of
12 the November 2003 Order **the FCC stated very specifically these concerns do**
13 **not "provide a reason for delay or limit the availability of porting from**
14 **wireline to wireless carriers."** Furthermore, in a Public Notice released on May
15 13, 2004, the FCC stated:

16
17 **Routing Issues** — Some carriers have expressed concern about
18 transport costs associated with routing calls to ported numbers where
19 porting results in calls to the ported number being routed outside the
20 original rate center. The Commission clarified in the *Intermodal LNP*
21 *Order* that the requirements of the LNP rules do not vary depending on
22 how calls to the number will be routed after the port occurs. Thus, a
23 carrier may not refuse a porting request based on routing issues.

1 *See, Public Notice*, Wireless Telecommunications Bureau and Wireline
2 Competition Bureau Remind Carriers Outside the 100 Largest MSAs of the
3 Upcoming May 24, 2004 Local Number Portability Implementation
4 Deadline, DA 04-1340 (rel. May 13, 2004).

5
6 In short, the FCC has foreclosed arguments related to rating, routing and
7 interconnection and has specifically stated that such arguments cannot serve as a
8 basis for further delay or suspension as requested by NEFCOM. As a result,
9 Sprint does not believe the Commission should entertain such arguments in its
10 consideration of the Petitioner's protest.

11
12 **Q. Have any other state public utility commissions considered a request similar**
13 **to Petitioner's request for suspension until six months following resolution of**
14 **LNP issues?**

15 A. Yes, petitioners in Indiana requested a temporary stay be granted until six months
16 after full and final resolution of LNP by the FCC. In denying the petitioners'
17 requests for relief, in the Indiana Order described above at page 30, the Indiana
18 Utility Regulatory Commission stated:

19 As for Petitioners' requests that a temporary stay be granted until six
20 months after resolution of LNP by the FCC, we note that the FCC has
21 chosen to impose porting obligations despite the fact that there are still
22 unresolved issues (recognized by the NPRM on rate-center disparity.)

23 Given that, we decline to wait until "full and final resolution of the

1 issues.” “Resolution,” as these Petitioners might define it, could be a
2 long way off.

3

4 **Q. Has the Petitioner demonstrated that it is not technically feasible to**
5 **provide wireline-to-wireless number portability?**

6 A. No. NEFCOM does not demonstrate nor even contend that LNP is technically
7 infeasible. Sprint, as an incumbent Local Exchange Carrier (“ILEC”), can
8 confirm that LEC-wireless porting is technically feasible. Sprint’s local division
9 and many other wireline carriers have been porting with wireless carriers since
10 November 24, 2003. Sprint’s local division has successfully ported numbers to
11 wireless carriers that do not have numbers assigned to the Sprint LEC rate center,
12 with carriers to whom Sprint is not directly connected, and with carriers with
13 whom Sprint has not executed an interconnection agreement. Sprint’s wireless
14 division shares similar intermodal porting successes with other wireline carriers in
15 the same scenarios. In short, it is simply implausible to argue that intermodal
16 LNP is technically infeasible.

17

18 In this regard, the Iowa Commission, after conducting a hearing, determined it is
19 “uncontested that it is technically feasible for Iowa Telecom to provide LNP in
20 the exchanges at issue in this case.” *See, Iowa Telecommunications Services,*
21 *Docket No. SPU-02-18 (SPU-02-19), 2003 Iowa PUC LEXIS 141 at *14 (Iowa*
22 *Utilities Board, April 15, 2003).*

23

1 Moreover, in other states, a sizable percentage of the rural LECs have already
2 installed needed LNP upgrades in their networks. Indeed, in *the Lec-Wireless*
3 *Porting Clarification Order* at ¶ 23, the FCC ruled that there is “no persuasive
4 evidence in the record” indicating that LEC-wireless porting even poses
5 “technical difficulties.”
6

7 **Q. Has NEFCOM demonstrated that LNP would be unduly economically**
8 **burdensome?**

9 **A.** No. Section 251(f)(2) permits the Commission to relieve ILECs of their LNP
10 obligation if such action is “necessary to avoid imposing a requirement that is
11 unduly economically burdensome.” While not many state commissions have
12 addressed this issue, the Ohio Commission has held that the statutory phrase,
13 “unduly economically burdensome,” means economic burdens “beyond the
14 economic burdens typically associated with efficient competitive entry.” See,
15 *Western Reserve Petition*, at *13, quoting *Local Competition Order*, 11 FCC Rcd
16 15499, 16118 ¶ 1262 (1996). The Montana Commission has similarly ruled that
17 the petitioners must present “evidence demonstrat[ing] an economic burden ...
18 beyond that which is normal when competitors enter a market.” See, *Ronan*
19 *Telephone Section 251(f)(2) Petition Denial Order*.

20
21 In addition, it is important to note that the FCC has already developed a federal
22 cost recovery plan that enables ILECs to recover their LNP implementation costs.
23 FCC Rule 52.33(a) provides:

1 Incumbent [LECs] may recover their carrier-specific costs
2 directly related to providing long-term number portability by
3 establishing in tariffs filed with the [FCC] a monthly number
4 portability charge, as specified in paragraph (a)(1), a number
5 portability query-service charge, as specified in paragraph (a)(2),
6 and a monthly number portability query/administration charge, as
7 specified in paragraph (a)(3).

8
9 As a result, implementation of LNP by Petitioners would not constitute an
10 unfunded mandate, and, it is, therefore, difficult to contend that the recoverable
11 costs of LNP will be unduly economically burdensome to these carriers.

12
13 NEFCOM further contends that it will incur ongoing costs beyond the five-year
14 recovery period in the amount of \$59,100. Sprint's ILEC is well aware of these
15 ongoing costs as it completed its five-year LNP recovery cycle; however, the FCC
16 has found that these ongoing costs beyond the five-year period become normal
17 costs of doing business. In short, NEFCOM is not uniquely situated with respect
18 to these ongoing costs as all other LECs implementing LNP are in the same
19 position.

20
21 **Q. Has NEFCOM demonstrated that LNP Would Impose Significant Adverse**
22 **Impact On Customers Generally?**

23

1 A. Section 251(f)(2) permits the Commission to relieve the Petitioner of its statutory
2 LNP obligation if such action is “necessary to avoid imposing a significant impact
3 on users of telecommunications services generally.” Under this criterion, the
4 question for the Commission is not the adverse impact on the Applicants’
5 customers, but on “users of telecommunications services generally.” As the
6 Montana Commission has recognized:

7 [W]e interpret “users of telecommunications services generally” as
8 all users of telecommunications services, from whatever source,
9 who reside in the service area of the petition. . . . Also, we ascribe
10 to “significant” the usual meaning of “important” or considerable.”
11 Demonstrating only “some” impact would not, in our view, meet
12 this standard.

13 *See, Ronan Telephone Section 251(f)(2) Petition Denial Order*

14 NEFCOM believes its customers could be charged \$0.74 per month for five years.
15 Sprint does not believe such a surcharge constitutes a significant adverse
16 economic impact on customers. This is confirmed by the surcharges assessed by
17 wireless and other LNP-capable carriers (for example Sprint PCS charged \$1.10
18 per customer at one point without any measurable affect on customers).
19 Customers continue to order service notwithstanding these LNP surcharges. Also,
20 NEFCOM currently enjoys a competitive advantage in the market because they
21 do not impose such surcharges on their customers; whereas, many of NEFCOM’s
22 wireline and wireless competitors do impose LNP surcharges.

1 With regard to the estimated \$0.74 LNP cost per line per month, I am not a cost
2 expert, but I was involved with the federal tariff filing and review process that
3 Sprint underwent over five years ago when it sought recovery of its LNP costs for
4 the companies comprising Sprint's local division. What I can relay to the
5 Commission is that the costs submitted by Sprint were rigorously reviewed by the
6 FCC and many of the costs initially submitted by Sprint were disallowed. During
7 Sprint's tariff review, the FCC was particularly mindful of stripping out costs that
8 had benefits outside of LNP. NEFCOM concedes that the costs contained in its
9 filings are estimates. As such, the costs ultimately allowed by the FCC—and the
10 resulting surcharge—will likely be different than those presented by NEFCOM in
11 this proceeding.

12
13 NEFCOM also argues that the benefits of LNP will be enjoyed by the few but the
14 costs will be spread across the many. The Commission must understand that the
15 benefit of LNP is not enjoyed solely by those who port their numbers. Local
16 number portability is a way to inject competition in the local market with
17 portability available to all potential customers. Admittedly, LEC implementation
18 of LNP will likely result in a new federal LNP surcharge imposed on LEC
19 customers. (RLECs are not required to impose LNP surcharges on their
20 customers, rather that is a decision made by each company.) LEC customers,
21 however, will also receive offsetting benefits. As the FCC has recognized in the
22 *Third LNP Order* at page 10:

23

1 We recognize consumers' sensitivity to end-user charges. . . . We
2 anticipate that the benefits of number portability, namely the
3 increased choice and lower prices that result from the competition
4 that number portability helps make possible, will far outweigh the
5 initial costs.

6 In short, it is unfair to attribute costs only to those who actually port their numbers
7 when all telecommunications consumers benefit from LNP—including those who
8 don't port their numbers.

9
10 **Q. Have the Petitioner's demonstrated that the suspension is consistent with the
11 public interest, convenience and necessity as required by Section 251(f)(2)?**

12 **A.** No. Even if Petitioners had demonstrated that suspension is necessary under one
13 of the three statutory criteria already discussed—which they have not—they must
14 also demonstrate that suspension is consistent with the public interest,
15 convenience and necessity. To the contrary, the public interest will be
16 affirmatively harmed by granting the Petitioner's request for suspension of their
17 LNP obligation.

18
19 Petitioners offer very little fact or substance to support their argument that
20 suspension is consistent with the public interest, convenience and necessity.
21 Petitioners essentially argue that the costs to provide LNP outweigh the benefits
22 because customers aren't interested in receiving LNP service. As discussed
23 above, this is a very narrow and short-sighted view of LNP. LNP will have an

1 effect on a given local market over time and its benefits extend far beyond just
2 those who port their numbers. Indeed, Congress and the FCC believed so
3 strongly in LNP that it became a critical component of the competitive regime
4 that Congress and the FCC sought to foster in the 1996 Act and its
5 implementation.

6
7 The FCC directly addressed the public interest issue in a May 6, 2004 letter from
8 K. Dane Snowden, chief of the Consumer and Governmental Affairs Bureau,
9 directed to Stan Wise, President of the National Association of Regulatory Utility
10 Commissioners:

11 When considering requests to waive these important, consumer-
12 friendly obligations, states should remain mindful of the tremendous
13 customer benefits that porting generates. I know that NARUC and
14 the FCC agree that the ability of wireless and wireline consumers to
15 port their numbers remains central to producing competition, choice,
16 lower costs, and increased innovation. *These benefits are*
17 *particularly important in rural areas where competition may be*
18 *less robust in more urban markets.*

19
20 Additionally, LNP will conserve scarce number resources because it will facilitate
21 the ability of rural ILECs to participate in thousands-block number pooling.
22 Nationwide, the number utilization rate for all telecommunications carriers is 39.2
23 percent, according to the FCC's July 2003 Report entitled *Industry Analysis and*

1 *Technology Division's Numbering Resource Utilization in the United States as of*
2 *December 31, 2002*, at Table 1. According to the Report, the average utilization
3 rate for wireless carriers is 47.8 percent. In contrast, according to the Report, the
4 average utilization rate of rural LECs is 18.1 percent. The problem is that if
5 Petitioners are relieved of their obligation to provide LNP, they will also be
6 relieved of having to participate in number pooling. The FCC recently adopted a
7 plan "exempt[ing] rural telephone companies . . . that have not received a request
8 to provide LNP from the pooling requirement":

9 We therefore exempt from the pooling requirement rural telephone
10 companies, as defined in the Communications Act of 1934, as amended
11 (the Act), that have not received a request of provide LNP.

12 *See, Fourth Numbering Resource Optimization Order*, CC Docket No. 99-
13 200, FCC 03-126, at ¶¶ 1 and 18 (June 18, 2003).

14 Hence, the Commission's grant of the LNP suspension would relieve NEFCOM
15 of its responsibility to participate in number pooling and the numbers they do not
16 use will continue to be stranded for the duration of any suspension the
17 Commission grants. Wireless and other competitive carriers that begin serving
18 customers in the Petitioner's exchanges will be required to obtain their own NXX
19 blocks for each exchange, rather than using thousands blocks from the numbers
20 NEFCOM does not use.

21
22 In the *Fourth Number Resource Optimization Order*, the FCC held that

1 implementation of “number pooling should be as expansive as possible in order to
2 promote efficient and effective numbering resource optimization”:

3 Pooling is essential to extending the life of the NANP by making
4 the assignment and use of central office codes more efficient.

5
6 Sprint submits that the interests of all Florida residents are not served when the
7 Petitioner does not fully utilize Florida telephone numbers. And the interests of
8 Florida residents is not served if wireless or other competitive carriers require
9 assignment of yet additional unused numbers (in the form of NXX codes) because
10 the Petitioner does not support number pooling. In short, the public benefit,
11 convenience and necessity is doubly served through LNP implementation because
12 it also results in number pooling.

13
14 **Q. Do you wish to summarize your testimony?**

15 **A.** Yes. The Commission should reject the Petitioner’s protest of the PAA Order.
16 Sprint has taken all the necessary and proper steps in its effort to bring intermodal
17 LNP to consumers in NEFCOM’s service territory. Unfortunately, NEFCOM has
18 done everything within its power to avoid LNP; as a result, Sprint urges the
19 Commission to deny the Petitioner’s protest and request for indefinite suspension
20 of its LNP obligation.

21 As demonstrated above, the Petitioner has not met its heavy burden under Section
22 251(f)(2) because:

- 1 ▪ LNP is technically feasible;
- 2 ▪ the recoverable costs of LNP implementation are not unduly economically
- 3 burdensome;
- 4 ▪ the Petitioner has not demonstrated a significant adverse impact to Petitioner's
- 5 customers; and,
- 6 ▪ the Petitioner has not demonstrated that suspension of LNP is consistent with
- 7 the public interest, convenience and necessity; indeed, it would be
- 8 affirmatively harmed.

9 Sprint looks forward to porting with NEFCOM beginning January 6, 2005.

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11 **Q. Does this conclude your testimony?**

12 A. Yes.

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Bonafide Request Form (BFR)

Purpose: This form is used to request deployment of long-term Local Number Portability as defined in the FCC mandates (CC Docket 95-116). Specifically, this form requests that ALL codes be opened for portability within the Metropolitan Statistical Area and wireline switch CLLI codes designated below. This form may be used for both wireless and wireline requests.

TO (RECIPIENT):

OCN: 0335
Company Name: NORTHEAST FLORIDA TELEPHONE CO.,
 INC.
Contact Name: DEBORAH NOBLES

Contact's Address:

PO BOX 485
 MACCLENNY FL 32063

Contact's Phone: 904-259-2261

FROM (REQUESTOR):

Company Name: Sprint PCS
Contact Name: Fawn Romig
Contact Name: Fawn Romig
Contact's Address: 6580 Sprint Parkway
 Mailstop: KSOPHW0516-5B360
 Overland Park, KS 66210
Contact's Email: fromig01@sprintspectrum.com
Contact's Fax: (913) 523-8333
Contact's Phone: (913) 794-9486

TIMING:

Date of Request: May 23, 2003
Receipt Confirmation Due By: June 9, 2003
Effective Date: November 24, 2003

Designated Wireline Switch CLLI Codes:

1st CLLI: MCLNFLXADS1

2nd CLLI: SNSNFLXARS0

3rd CLLI:

4th CLLI:

5th CLLI:

6th CLLI:

Designated Metropolitan Statistical Areas (MSAs):

Note: MSAs refer to the U.S. Census Bureau MSAs. These may differ from the MSAs as separately defined by the wireless or wireline industries.

MSA_NAME:

Actions Required of the Recipient:

1. Within 10 days of receipt, provide confirmation to the requestor that this form has been received.
2. For all currently released codes, and those to be released at any future time, within the designated U.S. Census Bureau MSAs and wireline switch CLLI codes (where applicable), open all for porting within the LERG.
3. For all currently released codes, and those to be released at any future time, within the designated U.S. Census Bureau MSAs and wireline switch CLLI codes (where applicable), open all for porting within the NPAC (Number Portability Administration Center).
4. Ensure that all switches handling codes within the designated MSAs are Local Number Portability capable.

Thursday, May 08, 2003

BFR Checklist Form v04 020204.doc