

***North American Numbering Council***

Meeting Minutes

September 19-20, 2000 (11.28.00 final)

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***I. Time and Place of Meeting.*** The North American Numbering Council held a meeting commencing at 8:30 a.m., at the Federal Communications Commission, 445 12<sup>th</sup> Street, S.W., Room TW-C305, Washington, DC.

***II. List of Attendees.***

Voting Council Members:

1. Beth Kistner	ALTS
2. Ed Gould	AT&T
3. Teresa Muir	Bell Canada
4. Ron Binz	CPI
5. Brian Fontes	CTIA
6. David Farnes	CWTA
7. Jo Anne Sanford	NARUC
8. Jack Goldberg	NARUC
9. Greg Pattenaude	NARUC
10. Loretta Lynch/Helen Mickiewicz	NARUC
11. Nancy Brockway	NARUC
11. Barbara Meisenheimer/Hong Hu	NASUCA
12. Philip McClelland	NASUCA
13. Beth O'Donnell	NCTA
14. James Goldstein	Nextel
15. Fred Jacobson	Nextlink
16. David Bench	Nortel Networks
17. Trent Boaldin	OPASTCO
18. Courtney Jackson	OUR, Jamaica
19. Harold Salters	PCIA
20. Bill Adair	SBC
21. Ron Havens	Sprint
22. John Hoffman	Sprint PCS
23. Gerry Rosenblatt	TIA
24. Paul Hart	USTA
25. Dan Hochvert	Verizon
26. Cathie Capita	VoiceStream
27. Peter Guggina	WorldCom

Special Members (non-voting):

Jean-Paul Emard	ATIS
John Manning	NANPA

Commission Employees:

Cheryl Callahan, Designated Federal Officer (DFO)

Jeannie Grimes, Alternate DFO

Charles Keller, Chief, Network Services Division (NSD), Common Carrier Bureau

Diane Harmon, Deputy Chief, NSD

Aaron Goldberger, NSD

Sanford Williams, NSD

John Spencer, Policy Division, Wireless Telecommunications Bureau

**III. *Estimate of Public Attendance.*** Approximately 62 members of the public attended the meeting as observers.

**IV. *Documents Introduced.***

- (1) Agenda
- (2) June 20-21, 2000 Meeting Minutes (9.1.00 draft)
- (3) NANPA Report to the NANC
- (4) July 18-19, 2000 Meeting Minutes (9.18.00 draft)
- (5) NANC Directory, Revised (9.19.00)
- (6) NANPA Oversight Working Group, Revised CO Code Volume Price Increase Recommendation
- (7) NANPA Oversight Working Group Project Status Presentation
- (8) Legal Expertise Working Group Report
- (9) Cost Recovery Working Group Report
- (10) NANPA Fund Performance, Status Report & Funds Projection
- (11) NBANC - NANPA Payment Options
- (12) Numbering Resource Optimization (NRO) Working Group Report
- (13) Charging Fees for Extensions of Reserved Numbers, NRO WG Recommendation
- (14) Resolution of the NANC, Re: Tribute to Jeannie Grimes
- (15) Industry Numbering Committee (INC) Report
- (16) NANC Toll Free Issue Management Group (IMG) Report
- (17) Unassigned Number Porting (UNP) Ad Hoc Committee, UNP Business Rules
- (18) Local Number Portability Administration (LNPA) Working Group Report
- (19) Wireless Number Portability Subcommittee (WNPSC) Report
- (20) Wireless Number Portability Technical, Operational and Implementation Requirements Phase 2
- (21) NANC letter to Chief, Common Carrier Bureau, Re: Reserved Numbers
- (22) Deputy Chief, CCB, September 12, 2000, letter to NANC, Re: CICs Assignment, CC Docket 94-129, *Third Report and Order and Second Order on Reconsideration*, FCC 00-225 (rel. Aug. 15, 2000)
- (23) Table of NANC Projects
- (24) LLC Update
- (25) Unified Messaging "Potential Impact on Numbering" Telcordia Technologies, Inc., Presentation

**V. Summary of the Meeting.**

**A. Opening Remarks.** Chairman Hoffman provided opening remarks and welcomed Nancy Brockway, NARUC – New Hampshire to the Council. The minutes of the June 20-21, 2000 were approved subject to inclusion of minor edits received during the meeting.

Chairman Hoffman noted that a public notice was released on September 5, 2000 seeking comments on the NANC's thousand block pooling technical requirements recommendation. Comments are due by September 25, 2000, and reply comments are due by October 2, 2000. On August 30, 2000, a public notice was released seeking comments on the California and Maine Public Utilities Commissions' petitions for waiver of the requirement to conform their thousand block number pooling trials to the national thousand block pooling rules by September 1, 2000. Additionally, a public notice was released seeking comments on the Massachusetts Department of Telecommunications and Energy petition for delegation of additional authority to implement number conservation measures in Massachusetts.

Chairman Hoffman introduced a NANC Resolution on behalf of Jeannie Grimes, Alternate Designated Federal Official, in recognition of her service to the Council from October 1996 to September 2000.

Jo Anne Sanford, NARUC, introduced Switzon Wigfall, as the North Carolina Utilities Commission's new NANC Alternate replacing Erin Duffy.

**B. North American Numbering Plan Administration (NANPA) Report.** John Manning, NeuStar, provided the report to the Council on the following topics: (1) NANP Exhaust Study (with pooling); (2) NPA inventory; (3) CO Code Activity; (4) *NRO Order* implementation; (5) NANPA enterprise services; and (6) 1Q2000 NeuStar neutrality audit.

Mr. Manning stated that NANPA worked with the NRO Working Group to develop the assumptions used to project the impact number pooling might have on NANP exhaust. Two aspects of the exhaust analysis effected the study results. Those assumptions are: (1) Only those NPAs with 50% or more of their rate centers in the top 100 MSAs would implement pooling; (2) the assumed percent reduction in CO code demand to reflect the impact of pooling would be a 50% reduction in CO code demand for NPAs with 25 or more rate centers; a 30% reduction for NPAs with 24 or less rate centers; and a 10% reduction to account for wireless pooling. Using these criteria, 100 NPAs were identified for pooling.

NANP exhaust was projected using three different yearly demand rates. The first model, based on unrestricted projected demand of 22,200 CO codes per year, resulted in an exhaust date of 2015. The second model, based on current practices, which assumes pooling is only implemented in those NPAs that have 50% or more of their rate areas located in the top 100 MSAs, resulted in a projected exhaust date of 2022. The third

model, based on reduced demand to an average of 13,400 codes assigned per year, the projected exhaust date is 2025. Mr. Manning noted that, if the assumption is changed to reflect pooling where at least one rate center is in the top 100 MSAs, the projected NANP exhaust date is 2039.

Chairman Hoffman observed that the number pooling study results add only 3 to 5 years to the NANP exhaust date reported at the June meeting. He noted the difficulty of forecasting with limited data to understand the impact of pooling on the NANP. Phil McClelland, NASUCA questioned whether NANPA would come back to NANC when more data becomes available. The Council agreed that the NRO WG would work with NANPA on an ongoing basis to monitor the effect of pooling and further refine NANP exhaust assumptions.

Nancy Brockway, NARUC, suggested that NANPA should test the assumptions by applying the analysis on all the MSAs. Dan Hochvert, Verizon, suggested that the total universe of NPAs (772) should be used to calculate exhaust instead of the adjusted amount of NPAs (692) which takes into consideration an amount set aside for future NANP expansion. Bill Adair, SBC, suggested that the study should be kept simple and perhaps it would be better to get a range of potential exhaust dates and continue to monitor on a monthly basis. Chairman Hoffman stated that more work needs to be done on the assumptions and that at this juncture there is simply not enough information for a full evaluation of the effect of thousand-block number pooling on NANP exhaust.

Brian Fontes, CTIA, voiced concern about the outcome and assumptions, suggesting that until firm facts are available that NANC should not tinker with the assumptions just to extend the life of the NANP for the benefit of pooling. Mr. Manning stated that the assumptions were developed just for this specific report. Barry Bishop, NeuStar, emphasized that this NPA exhaust tool was designed to allow states to predict NPA exhaust and not NANP exhaust. Brian Baldwin, SBC-Ameritech, added that the assumptions developed by the NRO WG and NANPA were based on the data available, such as the Illinois trial. He further noted there are a lot of factors to consider with many variables.

NPA Inventory Report. Mr. Manning reported that as of September 13, 2000, of the 675 assignable NPA codes, 335 are currently assigned and 340 are currently unassigned. Of the 340 unassigned, 48 are easily recognizable codes (ERCs) that are allocated for non-geographic use, and 292 NPAs are general purpose codes. Additionally, of the 292 general purpose codes, 246 are reserved which leaves 46 available.

CO Code Assignment Activity. Mr. Manning reported that over the 5-month period from April through August 2000, the assignment rate average was 1,313 codes. By factoring in the return of codes, the net code assignment rate averaged 1,021 codes per month. It was noted that with the effective date of the *NRO Order*, there was an increase in the number of code denials due to the new code request form, documentation requirements for initial codes and the months-to-exhaust requirements for growth codes. NANPA is working with service providers to understand the new process so that codes can be

assigned the first time. This outreach effort should reduce administrative costs on NANPA as well.

Cheryl Callahan, Designated Federal Officer (DFO), noted that the Industry Numbering Committee (INC) is developing a laundry list to satisfy the facilities readiness requirements for initial codes. This is INC Issue 257. Examples of the documentation were provided in the *NRO Order*. Helen Mickiewicz, NARUC, voiced concern that INC will develop a list that will be exhaustive, but may infringe on the states' delegated authority. Chairman Hoffman commented that NANPA and INC are trying to educate service providers on the processes. Harold Salters, PCIA, added that several states have been participating on the development of the national guidelines. Chairman Hoffman further noted that the new requirements have created some confusion for service providers applying for initial and growth codes. This is an industry effort to understand the rules to avoid administrative delays.

Julie Peterson, SBC, stated that the industry guidelines state that in the absence of a state or FCC directive to the contrary, the guidelines are to be followed by the NANPA. The FCC's rules state that NANPA must follow INC guidelines unless told otherwise. The INC processes do not usurp the authority of the states.

Greg Pattenaude, NARUC noted that NANPA is obliged to follow guidelines that at times conflict with state requirements, *e.g.*, the situation in western New York, which NANPA referred to the Common Carrier Bureau for direction.

Loretta Lynch, NARUC, stated that California has experienced problems with NANPA's exercise of discretion in interpreting the guidelines. Rose Breidenbaugh, USTA, commented that the national guidelines are there for carriers to have a level playing field.

John Manning reviewed the proposed NANPA enterprise services for customized data reports for NANC's approval. It was noted that the *NRO Order* provides for state commission access to historical CO code applications.

Loretta Lynch noted California's objection to the Federal Communications Commission's July 18 letter to NeuStar. Chairman Hoffman stated that the letter only addressed interim compensation and any objections should be directed to the Commission. Dan Hochvert, Verizon, added that NANC is responsible for reviewing proposed NANPA enterprise services, but it does not approve the rates *per se*. *See* Section 7.0 of the NANPA Requirements Document.

JoAnne Sanford, NARUC, questioned where to look for the reports that states may obtain free of charge. Mr. Manning responded that there are number of reports free to the states – this information is on the NANPA.com web site. There are costs associated with customized reports.

Beth O'Donnell, NCTA, noted that it is not logical to charge the states for this information. Jack Goldberg, NARUC, stated he would need the specifics to understand

what is in the cost presented and noted that any additional costs would be allocated to the carriers within the state (Connecticut). Dan Hochvert stated that the industry and state commissions need a brighter line to clarify what is in the *NRO Order* and to understand what reports are available under the NANPA contract.

Natalie Billingsley, NASUCA, commented that not enough information is contained in the proposal for NANC to make a decision and suggested NANPA needs to provide a specific list of what is included in the fixed price contract and what is not. Chairman Hoffman proposed and NANC approved the enterprise services, subject to explanation by NANPA specifying the list of services available for no additional charge. A proposed schedule of charges and list of reports will be provided at the October meeting.

Continuing with the report, Mr. Manning, advised that NeuStar has submitted the results of the 1Q2000 Neutrality Audit. Ernst & Young LLP completed its assessment on June 7, 2000, and noted two non-compliance items. Corrective action has been taken. The items have been addressed by modifying the NeuStar Neutrality Compliance Procedures, and by changes to internal processes for handling central office code applications.

Charles Keller, Chief, Network Services Division, presented a letter of appreciation to Ron Binz, Competition Policy Institute (CPI) on the occasion of his last meeting with the Council, to thank him for his contribution to NANC's success.

**C. *NANPA Oversight Working Group (NOWG) Report.*** Pat Caldwell, Co-Chair, presented the report to the Council. At the July 18-19, 2000 meeting, NANC tasked the NOWG to provide more analysis on the NANPA's CO code volume compensation proposal. The NOWG reviewed Appendix L, Revised CO Code Requests Processed YTD and concluded that some double counting had taken place.

Chairman Hoffman stated that the NOWG report might not have been received by all Council members in advance of the meeting. He suggested, and the Council agreed to move the discussion to the Wednesday session to allow for review of the materials presented. Also, NANPA did not get a copy of the report in advance of the meeting – delaying consideration of the issue will allow for NANPA's response.

**D. *Legal Expertise Working Group (LEWG) Report.*** Hank Hultquist, WorldCom, provided the report to the Council. The LEWG was requested to respond to the question of whether it is appropriate for the NANPA to receive compensation for services performed in prior years? The threshold question for the LEWG is whether there is any legal barrier for payment of numbering administration services in another year. Mr. Hultquist reported that the WG looked for any general obstacle and found none. Moreover, the Commission contemplates this matter in 47 C.F.R § 52.15(e) where it authorizes the NANPA to seek an adjustment in price in certain circumstances where services that were actually performed exceeded target levels. Additionally, 47 C.F.R § 52.17(a) allows for an adjustment in the numbering administration contribution factor to cover a shortfall or excess from the prior year.

**E. Cost Recovery Working Group (CRWG) Report.** Anne La Lena, Co-Chair provided the report to the Council. The CRWG developed a recommendation for a suggested guideline in response to direction received at the July 2000 to consider payment options. The following guideline should be used when NANC or any of its working groups develop recommendations for increasing payments to any entity involved in some manner of numbering administration.

Any mid-term increase in payments made to NANPA, NBANC or PA . . . as directed by the FCC, shall be made on a monthly basis through the remaining term, unless specific circumstances warrant different treatment.

Those circumstances might include the timing of the request in relation to changes in the allocation factor (if the increase is known and can be added into the new allocation factor for the coming year); and the amount of payment, fund balance or any other circumstance particular to the increase.

**F. NANPA Billing and Collection (NBANC) Report.** Mary Pat Brennan, NBANC, provided the report to the Council.

NANPA Fund Performance Status Report and Fund Projection. As of September 8, 2000, the fund balance is \$5.8 million; projected receivables for Year 3 are \$4.6 million; refunds to carriers (distributed in August) total \$1.07 million; payments to NeuStar \$1.62 million with \$4.13 million remaining. Funds earmarked for 1K Pooling Administration \$4.1 million; funds for the NANPA auditor total \$350K, and funds set aside for a COCUS replacement total \$203K. Board expenses for Year 3 total \$7.4K with \$30K remaining for Year 3.

In response to the petition filed by NeuStar requesting payment of \$3.1 million for additional work performed in Year 2 of its contract and several months into Year 3, the NANC at its July meeting requested NBANC to develop options for payment of the additional work. Ms. Brennan reviewed five possible options for payment that would not require an increase in the contribution factor. The NANPA payment could be made in a lump sum; by increasing the monthly payment during the remaining term of the funding year, or by a combination method -- by increasing the monthly payment for the remaining term of the funding year with a lump sum payment of the balance after the start of the next fiscal year.

Ms. Brennan reported that NBANC sent an advisory letter to Commission regarding the June 30 petition to convey NBANC's concerns on the availability of funds to support payment. It is expected that when the Commission has concluded its investigation, direction will be provided to NBANC on how to proceed. NBANC will take no action until directed by the Commission.

**G. Numbering Resource Optimization (NRO) Working Group Report.** Brian Baldwin, Co-Chair, provided the report to the Council. The NRO WG sent a letter to

Chairman Hoffman on September 19, 2000, containing a recommendation on fees for extensions of reserved telephone numbers.

Gerry Simmer, Executive Director, ACUTA, stated that the association represents over 850 colleges and universities many of which are large users of telephone numbers. Since May, representatives from ACUTA participated in the NRO WG work effort. Mr. Simmer stated that colleges and universities have legitimate needs and are willing to pay their fair share. There are public safety concerns as well as the costs of transitioning from 4 to 7 digit dialing if there is a loss of sequential blocks of numbers. ACUTA would like to support the NRO recommendation to extend reservations beyond the 45-day period. ACUTA wants to be fair and reasonable, but cannot recommend a fee at this time in view of the limited resources of state and other non-profit and governmental end users. Mr. Simmer suggested keeping the fee low enough as to not penalize this group of users.

Chairman Hoffman questioned whether ACUTA would support a lower number for non-profits. Mr. Simmer indicated that ACUTA would, but there must not be a limit on the time to hold reserve numbers. Gerry Rosenblatt, TIA, stated that there are E911 database concerns – the telephone numbers are tied to dorm rooms locations. Changing numbers seasonally would require costly reprogramming of Centrex or PBXs. Non-sequential numbers would create an added administrative cost.

This discussion was resumed later in the meeting. *See below.*

**H. *NANPA Oversight Working Group Report - Continued.*** Pat Caldwell continued with the NOWG report, beginning at page 11. Work on the new NANPA technical requirements is pending due to the focus on the price increase issue. NANPA has completed performance improvement plan 8. The NOWG will begin work on the NANPA 2000 performance review and intends to improve the review process and the survey form.

**I. *NRO WG Report – Continued.*** Brian Baldwin, Co-Chair, reviewed the NRO recommendation on fees for extensions for reserved numbers. The recommendation proposes that end users be allowed to retain their reservations beyond the current limit of 45 days. As an interim measure, to dissuade end users from extending reservations a monthly recurring fee of \$.25 per number could be applied.

Dan Hochvert noted that ACUTA did not object to a reasonable reservation fee and that it would like to keep its numbers continuously. Brian Fontes, CTIA, commented that by supporting the recommendation NANC would be endorsing a position for a fee for numbers for growth when we are in a number crunch and further added any fee should apply to all users of the resource. Mr. Baldwin explained the fee structure would apply to all end users that want to retain their reserved numbers. Natalie Billingsley, NASUCA, suggested that there should be an absolute ceiling to the term of reservation and further added that it would be burdensome to administer, *e.g.*, the collection of fees. Chairman

Hoffman opined that \$.25 per number/per month is too high for non-profits and governmental uses.

Nancy Brockway commented that there are societal costs with sitting on a number for a period of time and considering the cost of NANP of expansion is estimated at anywhere from 50 to 150 billion dollars. If a fee for extensions for reserved numbers is adopted, the “one price fits all” is not the right approach. Cathie Capita, VoiceStream added that the cost of billing special use fees is much more than \$.25.

Bill Adair stated that according to the *NRO Order* all reserved number reservations are to become invalid 45 days after December 1, 2000, which would mean by January 15, 2001 all reserved numbers would be gone. Brian Fontes expressed concern for the timeframe in which to resolve this issue and the effect it would have on the day-to-day operations of businesses. He urged the NANC to think the proposal all the way through to fully understand the cost of imposing these fees and the consequences. Beth O’Donnell, NRO Co-Chair, explained that the NRO WG tried to make it simple – service providers are not required to offer extensions. The goal was to ensure fairness so that no one got an advantage.

Peter Guggina, WorldCom, commented that the Commission has never reviewed the costs of non-dominant carriers, therefore, the industry does not have the information on the downstream effect of this recommendation. WorldCom is not opposed to the fees; but at this juncture the NANC does not know the implications of the \$.25 fee recommendation.

Brian Baldwin commented that the Commission defined what a reserved number includes. He stated that the list of assumptions used by the NRO WG in its recommendation were approved by NANC -- one of which was that any fee charged should not create a windfall and that carriers should be able to recover their costs.

Chairman Hoffman stated that the NRO WG consensus was that extension should be available; and in view of the concerns raised with the December 1<sup>st</sup> deadline for extension requirement, perhaps it needs to be pushed 6 months. Nancy Brockway stated that in her opinion the proposal of \$.25 in perpetuity is problematic. Bill Adair, reading from *NRO Order* ¶25 into the record, emphasized that NANC needs to answer the mail and forward the NRO WG recommendation to the Commission.

Beth Kistner commented that by next year there will be data available on how many reserved numbers are out there and suggested an evaluation of the impact of the fee for extensions for reserved numbers at that time. Several members expressed their concerns about the lack of information concerning the implications and costs of the instant recommendation. Brian Baldwin added that the NRO WG felt that recommending a common fee was more appropriate, and suggested inserting a sentence in the cover letter to the FCC to express the views of NARUC, NASUCA and non-dominant carriers.

The WG is on track to complete the individual telephone number (ITN) pooling recommendation by the November 28-29 NANC meeting. Call for better participation at NRO meetings.

**F. Industry Numbering Committee (INC) Report.** Norm Epstein, Moderator, provided the report to the Council. INC received correspondence through NANPA that Guyana may wish to make a presentation to INC regarding its application to join the NANP. INC has conveyed that it only addresses number administration issues on technical matters and therefore would not be the appropriate audience for such a presentation.

INC requested direction on how to address the split rate center issue in light of the *NRO Order* growth code requirement -- percent utilization and months-to-exhaust required at the rate center level. Ms. Callahan stated that the Bureau will continue to deal with the issue of split rate centers and the duplication of codes on a case by case basis.

NANP Expansion. INC received a thorough evaluation and an agreement from CRTC on the INC expansion assumptions – clearing the D-digit and eliminating 1 as a toll indicator. CRTC believes that a fundamental expansion plan should be finalized and agreed to by all NANP nations by September 2001.

LNPA Workshop. INC is scheduled to release the Thousand Block Number (NXX-X) Pooling Administration Guidelines on September 22, 2000. This version has not fully captured all the related *NRO Order* matters and therefore, INC will reissue the guidelines again before the end of the year.

CO/NXX Workshop. Mr. Epstein noted that NANPA has been directed by the Commission to use the criteria of the MTE on a rate center basis in all situations including new switches and specific customer needs. INC believes this practice prevents service providers from effectively configuring their networks and that it is inconsistent with the Commission's objective in paragraph 3 of the *NRO Order*. Rose Breidenbaugh commented that INC is frustrated in its attempts to develop guidelines and service providers need to know where to go for resolution. Helen Mickiewicz noted that states can review a denial of an initial code by NANPA, and added that comments filed on reconsideration of the *NRO Order* are stating that the MTE is good. Ed Gould commented that the per rate center/MTE requirement prevents service providers with multiple switches in a rate center from getting codes.

With respect to INC's open questions to the Commission, Chairman Hoffman suggested that INC send a memorandum reiterating its concerns and address it to the DFO, Cheryl Callahan and provide a copy to the NANC Chair.

**G. Toll Free Issue Management Group (IMG).** Ron Havens, Chair, provided the report to the Council. The IMG has held several conference call meetings and a face to face meeting on September 7-8, 2000. The scope of the IMG's task is to assess the utility of the current 800 SMS, the system used to support NANP administration and other

systems as identified. Mr. Havens reviewed the critical path timeline – completion of the technical requirements is November 30 with a recommendation to NANC by December 15. The NANC recommendation to the FCC is due on or about January 1, 2001. The IMG sent a letter to Chairman Hoffman on August 31, 2000 advising that it was unable to reach consensus regarding the competitive bid issue. Additionally, doubts were expressed that the IMG may not be able to deliver a technical requirements document to the Council for review by year-end. Mr. Havens stated that the IMG effort requires more support, participation and contributions.

Chairman Hoffman stated that the FCC needs to see a recommendation from NANC whether we are in favor of competitive bidding and they need the technical requirements. The focus of this effort is the technical requirements, not how the current system is running. The bidders will respond to the RFP with new and better ways of performing this function.

Peter Guggina stated that functional system specification develop (FSD) is the beginning of the requirements. It describes what this system and related processes would do. The IMG has used the concept used in standards development in stages with service descriptions. The FSD is more like stage one – it does not state how it is architecturally constructed. Chairman Hoffman commented that in his opinion the Commission does not want different bidders doing exactly what is being done today. Gerry Rosenblatt, TIA, stated the technical requirements are on a high level and cover end to end performance. Rose Breidenbaugh stated that the subject matter experts (SMEs) for 800 services do not have the time to do this and still maintain the current 800 service.

Chairman Hoffman stated that if SMEs are needed he would assist in contacting the companies involved to press for more participation. With regard to the lack of consensus on the competitive bid issue, Chairman Hoffman commented that the entire subject has been highly charged from day one. This process started out with two sides staking out their positions. He reminded the IMG participants that their responsibility to NANC is different from personal company positions. There is a middle ground where consensus can be achieved -- working for the greater good. There has been movement towards consensus. The progress on the FSD looks good and is the IMG's priority. Chairman Hoffman offered to contact SME's through their superiors to get this done by November.

With respect to the neutrality issue, Chairman Hoffman noted the framework is similar to NANPA and 1K PA. The 800 service today is provided by carriers – ILECs. The NANC should endorse neutrality in a competitive bidding environment and if ILECs in a bid want to structure their ownership, this would satisfy the problem in large measure. There is a precedent in numbering for this.

Dan Hochvert commented that there is a lot more in the neutrality matter that needs to be addressed. Chairman Hoffman added that the *Beehive Order* assumes a competitive bid, and urged the IMG to get the technical requirements completed as soon as possible, striving for completion by the November meeting.

**H. Unassigned Number Pooling (UNP) Business Rules.** Karen Mulberry, WorldCom, provided the report to the Council. The UNP Business Rules document was developed through discussions held by the committee. It covers a variety of approaches to UNP as identified in the table of contents. Beth Kistner added that the document lists different positions on how UNP should be done.

Chairman Hoffman encouraged the NRO WG and the UNP Ad Hoc group to come together and put together one package on UNP for presentation to the NANC. Ed Gould observed that UNP Ad Hoc Group model is based on voluntary UNP in contrast to the INC model and noted that the INC participants and Ad Hoc Group need to come together -- the NRO WG is communicating between the two groups. Rose Breidenbaugh commented that INC has also developed a document and the Ad Hoc Group document would be a good addition to the INC effort.

**I. Local Number Portability Administration (LNPA) Working Group Report.** Charles Ryburn, Brian Egbert and Anna Miller provided updates to the Council.

Brian Egbert reported that with regard to the status report matrix, all items, except item one (Test Plan) and item 10 (Wireless Number Portability Report) WNP are either closed or in a monitor status. The NPAC 2001 testing notification request was finalized and will be published in NeuStar's September and November 2000 portability publications. The WNPSC sent a liaison letter to the LLCs requesting an extension of NPAC hours of operation to 9:00 p.m. central time and the addition of Saturday.

Charles Ryburn reported that the LNPA WG is finalizing the Wireline/Wireless Integration Report for distribution to the NANC on September 30. With regard to the NPAC/SMS release -- Release 3.0 testing date of November 6 is in jeopardy as reported by NeuStar and adjustments to the test schedule are being made on a week-to-week basis. Mr. Ryburn advised that an updated Release 4.0 package was sent to the LLCs following the September meeting.

Problem Identification Management (PIM) one was referred to OBF since it deals with the LSR/LSC (FOC) issues. The originator of the issue, NNOP met with the OBF to discuss the issue. The LNPA WG will continue to track this PIM as an open item until resolution. NeuStar will present a statement of work on PIM 5, inadvertent porting, to the LLCs for their consideration. The WG has decided that PIM 6, unlock/migrate transactions during porting is a 9-1-1- issue that NENA should decide which course of action should be taken and recommend standards, if appropriate.

**Wednesday, September 20, 2000**

**J. Approval of July 18-19, 2000 Meeting Minutes.** The minutes were approved, subject to minor edits received.

The letter to the Chief, Common Carrier Bureau (CCB), regarding fees for extensions for reserved telephone numbers was finalized to include input from NARUC and NASUCA.

**K. *Wireless Number Portability Subcommittee (WNP SC) Report.*** Anna Miller, BellSouth Cellular, provided the report to the Council. Ms. Miller advised that the WPNSC is finalizing edits to Wireless Number Portability Technical, Operational, and Implementation Requirements, Phase 2 Report. A handout summarizing the content of the report was provided to the Council. The report documents the wireless industry agreements on the requirements and procedures to support LNP. The report is based on the implementation milestones and associated time frames to implement LNP by November 24, 2002. The four major milestones are functional specifications, system development, testing and deployment. The focus of the report is wireless to wireless portability and does not address the feasibility of implementing pooling prior to implementation of local number portability. NANC members are to review the draft report. Questions should be directed to Anne Cummins [anne.cummins@attws.com](mailto:anne.cummins@attws.com) or Anna Miller [anna\\_miller@bscc.bls.com](mailto:anna_miller@bscc.bls.com)

In response to questions about the sequence of tasks involved in portability and pooling, Ms. Miller offered to review with the Council at the next meeting the presentation from last year explaining the implementation phase sequences. Ms. Miller explained that the instant report is focused on what needs to happen for Phase II, full blown portability. The question of whether number pooling was feasible before the implementation of porting was addressed last year. Pooling would use the same network, infrastructure and operational support systems – the process differs in that there would be no process port service provider request.

Cheryl Callahan, DFO, with respect to the milestones, questioned whether the carriers are ready to meet the established milestones. Ms. Miller advised that the wireless carriers have been notified of the requirements and the deadlines. It is expected that the readiness status of the carriers will be reported as testing begins. Given the experience in the wireline industry, it is hoped that the major carriers will be ready. Ms. Callahan further questioned whether there is a way to identify carriers that may be having difficulty. Ms. Miller noted that notification of the MDN/MIN separation requirement effecting all U.S. providers was sent out through the wireless associations to their members last year. It may be helpful to review with the NANC the presentation evaluation that was provided last year to understand the scope planning. There is a lot of TN administration that needs to be done in preparation for pooling and to analyze this information will take time.

Ms. Miller advised that the WorldCom Minority report would be included as an appendix to the report. The Council agreed to send the report to Commission. A transmittal letter will be drafted by Ms. Miller for the Chairman's signature.

**L. *Central Office (CO) Code Volume Recommendation.*** Pat Caldwell, NOWG Co-Chair, provided the report to the Council. As a follow-up to NOWG's earlier recommendation to accept NANPA's incremental cost approach, the Council requested more analysis from three different approaches – bottoms up, incremental costs and tops down. However, due to a lack of information, the WG was unable to perform the bottoms up analysis. For incremental cost review, the WG reviewed the NANPA's original proposal and developed two alternatives to the method of counting volume. Four

separate alternatives were developed in the analysis of the tops down model. This analysis disallowed some volume counted by NANPA that the WG felt were steps in the overall processing of code assignment. It disallowed work NANPA may have performed in the lottery process. With regard to the issue of determining volume, as to whether the CO code assignment should be counted as assignments made or requests received, the WG believes it is appropriate to consider only CO codes that are “assigned.” Categories could be doubled counted (requests) – suspension and denial/assignment of code is a count of two. The WG also considered whether lottery denials with the use of the Part 1 to affirm a service provider’s stay in a lottery was a request for a new code. As a result, it appears NANPA is counting processing steps of a CO code application as separate processes and recording them as independent requests. The consensus WG recommendation is that no retroactive price adjustment should be awarded to NANPA.

For first two-year period of time, the code assignments were over by 25,000 of the original bid. The cost was calculated for the overage in the amount of \$980,000. However, if all requests are considered and not assignments made and NeuStar is over the 120% threshold, potentially there would be \$1.2 million due NeuStar. Whether or not the compensation should be \$3.1 million versus one million is based on whether you disqualify some of the volume – this results in a cost that is three times the amount of the original bid. In reviewing the qualification of those costs, the WG contacted the old CO code administrators for the information of how the estimate of 10,000 assignments per year was reached. Mr. Caldwell stated that the Commission needs to clarify the “assignments” vs. “requests” matter, in order to properly assess the level of compensation that is due NeuStar.

Ed Gould, AT&T, congratulated the NOWG on its work effort and the level of detail provided. Chairman Hoffman questioned whether NOWG was able to resolve the issue of assignment and requests, the differences in volumes, by saying the contract says assignments. Mr. Caldwell report it was unable to do so -- the analysis provided compares assignments; if there is agreement with the overall assumptions then potentially \$985,000 dollars in compensation would be due. If calculate the payment based on requests as opposed to assignments, and disqualify some of the volume as administrative tasks then approximately \$1.2 million dollars would be due.

Chairman Hoffman commented that NANPA has not prepared a formal presentation in response but wanted an opportunity to discuss these issues. Mr. Caldwell noted that the very same volume issue is a part of the NeuStar petition now pending before the Commission – the distinction being retroactive payment for volume increases or payment for volume exceeding 120% on a going forward basis.

Brian Fontes, CTIA, suggested an assessment of the budget process used by NeuStar to examine the actual amount of assignments against the forecasted amount in its bid. He recommended making a comparison on a per line item basis as to what elements are below or exceeds cost to understand the various cost of the activities. Mr. Fontes suggested next to look at the total budget and make a judgment whether it is above or below the 120% mark. Having an item by item analysis based on budget forecasts and

elements will aid in understanding how they perform as to the budget. Mr. Caldwell commented that no auditor is in place that could provide the suggested level of detail.

Cheryl Callahan, DFO, noted that NeuStar is operating under a firm fixed price contract and the type of procedures suggested by Mr. Fontes were not put into place. The Commission is reviewing NANPA's petition and has had auditors looking at this level of detail and type of information. Mr. Fontes added that with an open-ended account we will never be able to understand clearly the request for additional monies.

Peter Guggina opined that NANPA ended up doing more work than anticipated and they are due some compensation. He suggested NANC consider this matter in two approaches. First, does NANC believe NANPA expended additional work and should be compensated, and if yes, figure out how to come up with a number in a sensible manner. Another approach would be to ask the Commission to figure it out since it has had access to a lot of data unavailable to NANC, specifically, access to the financials and other data.

Chairman Hoffman pointed out that the rule states NANPA may request from the NANC an adjustment in the price if the actual number of CO Codes assignments made per year exceeds 120% of NANPA's stated assumptions. One could argue that a possible interpretation could be that the stated assumptions refer back to assignments. However, the NeuStar stated assumptions listed in Exhibit R, are not in terms of assignments but requests -- herein lies the controversy in this matter.

Beth Kistner noted that the calculation of CO code volume is assignments above 120% sticking "assignments" versus "requests" still results in monies due beginning in Year 2 and 7 months of Year 3. Bill Adair commented that when asked for the number of assignments made as a CO Code administrator for SBC responded to the WG that lotteries were included in the CO code assignment work done.

NANPA Response. John Manning responded that the Commission's rule, 47 C.F.R. §52.15(e) does state "assignments" and not requests, but goes further to state that the 120% rule applies to NANPA's stated assumptions. The Lockheed memo of May 15, 1997 explains the assumptions Lockheed used. The Requirements Document, in the chart contained in Attachment 2 titled *Summary of Current Workload and Staffing for the CO Code Administration Function*, contained a table that summarized the quantity of code requests processed by the incumbent CO code administrators, specifically referenced the number of code requests per year. We accept that when the CO Code Administrator who performed this function at the time were interviewed the question was understood to mean assignments but, if indeed what was meant was code assignments and not requests, then the chart was mis-labeled and the Requirements Document flawed.

With respect to lotteries, Mr. Manning stated that NANPA followed the guidelines with CO code applications and there are currently 68 lotteries and about half of the lotteries do not require resubmission of an assignment request. In California a carrier only resubmits if they are selected. Further, NANPA has followed the guidelines established by the industry and regulators with regard to specific lottery processes. Concerning CO code request re-submissions, NANPA works with service providers to avoid denial of a code

request. Often, NANPA will suspend a code request in order to allow the applicant to provide additional needed information. Mr. Manning noted that NANPA used this process extensively when the COCUS on file requirement was implemented by NANPA during the April-May 2000 time frame. And finally, Mr. Manning noted that NANPA received high marks in its 1999 performance evaluation. In particular, NANPA's CO Code Administration group received positive feedback on its work with service providers.

Chairman Hoffman complimented the NOWG on the detailed analysis and hard work – and agreed that it is the Commission's responsibility to decide the matter of assignments vs. requests.

Dan Hochvert, Verizon, commented that there were at least two other bidders who bid correctly in terms of understanding the target is based on requests that result in assignments. Dialog is very clear in this area. Mr. Hochvert expressed concern with winning bidder saying at this point that they misunderstood the requirements – perhaps missed change of word but it was clear at the time that the job was assignments and not requests. With respect to the Requirements Document, and looking at all the evidence in this report, it was clear that NANC wanted vendors to bid on assignments. The people involved at the time described to all potential bidders concerned what was to be bid on since the other suppliers bid on was very clear.

Bill Adair agreed that the real issue is the difference is the decision between requests and assignments. Mr. Adair added that the Commission is the real party that needs to make that determination and would strongly suggest that we kick this issue to the FCC.

Harold Salters, PCIA, stated Code Administration activity in the past period has been substantial and service is very good. Mr. Salters expressed concern about the signals this issue may send to those who might want to compete for future contracts. If NANC takes position that do not provide adequate or equitable compensation it may unintentionally send the wrong signals to potential vendors that as circumstances and the industry changes a vendor may end up getting really burned.

Rose Breidenbaugh commented that the NOWG analyzed what was included in each category and what constituted an accurate count. The NOWG had trouble determining which categories to include and did not want to award NANPA for internal inefficiency.

Beth Kistner, referring to section 1 of report suggested that there is a bias in the firm fixed price language and agreed the issue should be decided by the FCC. She recommends that NANC make a decision based on requests and one based on assignments.

Chairman Hoffman stated that the recommendation for an increase is not in increasing compensation but increasing the thresholds that would trigger compensation. It was suggested that there should a dollar amount for both requests and for assignments.

Ed Gould commented that based on his review of the report he believes, at a price of \$150 per assignment, additional compensation in the amount would total \$1.4 million.

Greg Roberts, NeuStar, stated that except for the required enterprise service NANPA never charged for enterprise services in last three years. Secondly, NeuStar has proposed two enterprise services for work in connection with the *NRO Order* for the NANC's consideration. With respect to the point regarding the four vendors who bid the contract – all the vendors used “requests” in their response and “assignments” was used in the *NANPA Order*. NeuStar did 48 NPA relief plans which is exactly 120% over the Commission's rule and did not ask for additional compensation. NeuStar is not offering up enterprise services in an attempt to cover other costs.

Chairman Hoffman noted there was no consensus -- but the discussions seemed to be narrowed to three options: (1) To adopt the NOWG recommendation which is pay nothing and recommend to FCC that they pay nothing. (2) From equitable standpoint, recognize that additional work has been performed and consider paying them something in the range of between \$980,000 and \$1.1 million depending on whether the assumption used is “assigned” or “requests. (3) Do nothing and refer it to the FCC and recommend the FCC decide it consistently with pending NANPA petition for an equitable adjustment. The Council took a strawman vote on the options – 10 members favored option (3), to send it to the Commission to decide consistent with its going forward compensation issue. Nine members favored the option for an equitable adjustment in recognition that there was some level of work done.

Chairman Hoffman noted that referring the issue to the Commission means that NANC would give them the benefit of all the research and analysis that has been done. Rose Breidenbaugh added that it was her understanding that NeuStar has already provided the Commission with some data that was not provided to the NOWG for proprietary reasons. The NOWG report might further inform the FCC on the future work and compensation for the past work.

The Council was split on whether to send forward the report to the Commission for a consistent ruling on the prospective and retroactive compensation adjustment or an equitable compensation adjustment ranging from \$980,000 to \$1.1 million was due because some amount of work was done in excess of what was anticipated. The suggested compromise is to send the report to the Commission with a transmittal letter that says NANC was unable to reach a decision on the amount due NANPA and note that the general feeling by at least half of NANC is that some compensation is probably due.

The Council agreed to send the report forward and noting that it was unable to reach any consensus on whether to adopt the NOWG's recommendation. Chairman Hoffman will draft a proposed transmittal letter for circulation to the full Council and provide a reasonable time to respond and offer edits.

**M. Carrier Identification Codes (CICs) Issue Management Group.** Chairman Hoffman reviewed the directive from the Common Carrier Bureau in its September 12,

2000, letter detailing the scope of the NANC assignment referred to in the Commission's *Third Report and Order and Second Order on Reconsideration*, In the matter of Implementation of the Subscriber Carrier Selection Changes of the Telecommunications Act of 1996, Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, CC Docket 94-129 (rel. August 15, 2000). NANC is requested to provide analysis and recommendations on whether the Commission should adopt a requirement that switchless resellers obtain and use their own CICs to address "soft slamming" and related carrier identification problems. The report is due to the Commission by August 1, 2001. The Council agreed to form an issue management group (IMG) to work this assignment. Bill Adair was selected to Chair the IMG.

**N. *Table of NANC Projects and Assignments.*** Norm Epstein reviewed the matrix with the Council. An updated version incorporating any changes as a result of action items and decisions reached will be completed by Norm Epstein and circulated to the Council electronically.

Chairman Hoffman announced that representatives from Jfax will attend the October NANC meeting and will provide a 20-30 minutes presentation on the features of their unified messaging product. Nancy Brockway, NARUC commented that New Hampshire has been working with Efax -- unified messaging is a service desired by its citizens. Ms. Brockway advised that New Hampshire has proposed a nationwide NPA for this purpose.

**O. *Charging for Numbers Discussion Paper.*** Phil McClelland, Chair, provided an update to the Council. The group developed the discussion paper, which captures some preliminary ideas on a market-based approach to number administration and other related matters. The paper contains some valuable information that may be of some benefit to the Commission. If it is not forwarded, the introduction section may serve as a predicate for a later discussion.

Rose Briedenbaugh suggested that the charging for numbers concept might have a chilling effect on porting numbers; ultimately the customer would pay the price. Beth Kistner noted that the penalty for numbers matter is not explored very far, and would not want to see the report go forward to the FCC at this time. Nancy Brockway suggest that charging for telephone numbers might cause a run on numbers.

Chairman Hoffman commented that the report is valuable – it presents some creative thoughtful ideas and suggested holding the report until after the Council considers the information in the presentation by Telcordia and from Jfax at the October meeting.

**P. *Limited Liability Corporations (LLCs) Report.*** Pamela Connell, AT&T, provided the update to the Council. In August 2000 the West Coast LLC voted to merge with the NPAM LLC creating one national Number Portability Administration Center (NPAC). The merger should be completed by November 2000. With regard to contract negotiations, the National Negotiations Team (NNT) and NeuStar have reached an agreement in principle to extend the existing five year NPAC contract. The agreement also incorporates price reductions upon crossing minimum porting thresholds and

requires enhanced performance measurements and processes that are subject to periodic audits by a third party. The final agreement is contingent upon LLC review and approval.

**Q. *Unified Messaging Tutorial - Telcordia Technologies, Inc.*** Gary Brush, Convergent Solutions, Telcordia Technologies provided a comprehensive tutorial to the Council on the potential impact of unified messaging (UM) on numbering. Mr. Brush described the user's view of UM – where once voice mail, email and fax activity required separate telephone numbers for access, UM enables a user through a telephone hand piece or PC to listen to voice mail and email messages converted from text to voice and to redirect fax transmissions after listening to fax header information. The Telcordia network view of UM is a three-tiered architecture that links the user between the Internet service provider, the PSTN and (depending on the output service desired) the application specific servers. *See* handout for sample call-flows.

Mr. Brush concluded, based on the scenarios presented that, Telcordia believes that UM can be number neutral if configured properly.

**R. *Other Business.*** None.

**S. *Next Meeting.*** October 17-18, 2000.

**VI. *Action Items and Decisions Reached:***

1. NANC members will review July 19-20, 2000 draft meeting minutes for approval at the September 20, 2000 session.
2. NANPA Oversight Working Group (NOWG) Report. NANC members will review NANPA Oversight Price Increase proposal for discussion at the September 20<sup>th</sup> session.
3. North American Numbering Plan Administration. NANPA and the NRO WG will work with the NANPA on an ongoing basis to continue to further refine NANP exhaust.
  - NANPA enterprise services were approved subject to NANPA preparing a concise list of enterprise services with proposed prices for approval in October. NOWG will work through evaluation of NANPA's list of enterprise services. NOWG will do "reasonableness" analysis of prices.
4. Numbering Resource Optimization (NRO) Working Group Report. The NRO letter recommendation regarding fees for extension of reserved numbers will be forwarded to FCC after additional text supplied by WorldCom, NARUC and NASUCA.
  - NRO WG will complete the COCUS Requirements Document by the October 17-18, 2000 NANC meeting.

- NRO will complete the ITN recommendation by the November 28-29, 2000 NANC meeting
5. Industry Numbering Committee (INC). The INC will alert the FCC staff (Cheryl Callahan and Aaron Goldberger) of upcoming meetings 48 hours prior to the meeting to Cheryl and Aaron.
    - INC will issue a report on the UNP in November.
    - INC Moderator will reiterate the unanswered INC questions to the Commission with a copy to Chairman Hoffman.
  6. Toll Free Issue Management Group. Toll Free IMG members should contact Chairman Hoffman, if necessary to urge 800 SMEs' participation on the IMG.
  7. Wireless Number Portability Subcommittee Report. The WNPSC will provide feasibility of wireless pooling after implementation of LNP at the October NANC meeting.
  8. Chairman Hoffman will draft the transmittal letter regarding the recommendation on NANPA Co code volume price increase. This will be circulated to NANC members for edits. The approved transmittal letter and attached NANPA Oversight Working Group Report of September 19, 2000 will be forwarded to the FCC.
  9. The CICs Issue Management Group (IMG) will be chaired by Bill Adair, SBC. Members wishing to participate should contact Mr. Adair.
  10. Nancy Brockway, NARUC, will circulate J-fax letter sent to the New Hampshire PSC that endorses use of a non-geographic code for J-fax purposes for informational purposes at the next NANC meeting.