

North American Numbering Council

Meeting Minutes

August 24-25, 1999 – *Final (10.5.99)*

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

II. List of Attendees:

Voting Council Members:

1.	Beth Kistner	ALTS
2.	Ed Gould	AT&T Corp.
3.	Dan Hochvert	Bell Atlantic
4.	Ron Binz	CPI
5.	Lolita Smith	CTIA
6.	Alan Hasselwander	Frontier
7.	Norm Epstein	GTE
8.	Peter Guggina	MCI WorldCom
9.	Gerry Thompson	Mobility Canada
10.	Erin Duffy	NARUC
11.	Vincent Majkowski	NARUC
12.	Natalie Billingsley	NASUCA
13.	Phil McClelland	NASUCA
14.	Beth O'Donnell	NCTA
15.	Larry Krevor/Seth Jones	Nextel Communications
16.	Dan Gonzalez	NextLink Communications
17.	Art Dawe	Nortel Networks
18.	Carl Hansen	Omnipoint
19.	Trent Boaldin	OPASTCO
20.	Robert Hoggarth	PCIA
21.	Bill Adair	SBC
22.	Ron Havens	Sprint Corp.
23.	Gerry Rosenblatt	TIA
24.	Paul Hart	USTA

Special Members (non-voting):

Ron Conners	NANPA
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Commission Employees:

Diane Griffin Harmon, Designated Federal Officer (DFO)

Jared Carlson, Alternate DFO

Blaise Scinto, Deputy Chief, Network Services Division, Common Carrier Bureau

Tejal Mehta, NSD, CCB

Pat Forster, NSD, CCB

Les Selzer, NSD, CCB

Jeannie Grimes, NSD, CCB
Aaron Goldberger, NSD, CCB
Wesley Jarmon, Accounting Safeguards Division (ASD), CCB
Henry Murrow, ASD, Audits Branch
Connie Hellmer, ASD, Audits Branch
Andrew Skadin, ASD, Audits Branch
Larry McKinley, ASD, Audits Branch

III. Estimated Public Attendance. Approximately 44 members of the public attended the meeting as observers.

VI. Documents Introduced. Each member received the following handouts:

- (1) Agenda
- (1a) July 20-21, 1999 NANC Meeting Minutes (draft)
- (2) Wireless Number Portability Subcommittee (WNPSC), Key Issues & Action Items
- (3) WNPSC Status Report Matrix
- (4) LNPA Working Group Report
- (5) GTE Wireless Wireline Integration Report Contribution
- (6) Slow Horse Subcommittee Report
- (7) NANPA 1999 CO Code Assignment Activity Report
- (8) Number Resource Optimization (NRO) Working Group Report – Telephone Number Reservations
- (9) Revised COCUS Replacement Implementation Timeline
- (10) IMG Paragraph 38 – Final Report
- (11) NANPA Oversight Working Group Report
- (12) NANC Audit Framework Recommendation
- (13) NANC draft letter re: Split Rate Center Issue
- (14) Audit IMG - NANPA's CO Code Audit Obligations – Summary
- (15) Audit IMG - NANPA's CO Code Audit Obligations – Progress Report
- (16) Cost Recovery Working Group
- (17) NBANC Update
- (18) NANC Audits Progress Report, Paragraph 90
- (19) IMG Paragraph 165 – Draft Final Report
- (20) NANPA Report – Large CO Code Requests
- (21) Industry Numbering Committee (INC) Report

V. Summary of the Meeting:

A. Opening Remarks. Chairman Hasselwander provided welcoming remarks. A format change was announced. The NANC meeting will end at 3:15 p.m.; the Steering Group meeting will take place from 3:15 – 4:45 p.m.

B. Local Number Portability Administration (LNPA) Working Group Report. Shelly Shaw, Co-Chair, presented the LNPA WG Report. Anna Miller, BellSouth Cellular, presented the Wireless Number Portability Subcommittee (WNP SC) report and reviewed the WNPSC issues matrix. The WNPSC has updated the Phase 2 timeline to

reflect completion of inter-carrier communication process and the test plan. The test plan is now under evaluation for recommendation and the test plan should be finalized by end of first quarter 2000. An information letter with the timeline updates will be sent to Regional Operation Teams to initiate discussion on organization and the logistics of test coordination. Additional meetings are scheduled in September for the inter-carrier test plan working group.

The reseller options issue will be finalized at the September meeting, absent any contributions to support either the direct or indirect options treatment. The U.S. and Canadian roaming issue was closed after concluding that it is an internal business arrangement issue and the impacts are the same as those already identified for any MIN base provider that does not separate the MIN and MDN in order to be able to roam.

Ms. Miller highlighted the updates to the status report matrix. The CTIA technical team will evaluate guidelines for inter-carrier communication process alternatives and distribute the process recommendation for carrier and vendor feedback by January 2000. In response to liaison letters to T1S1.6, T1P1 and TR 45 for an overview and update on number portability standards, presentations have been scheduled for the October 1999 NANC meeting.

The WNPSC is seeking nominations to replace co-chair Brian Egbert, to be selected at the September 13-15, 1999 meeting in Chicago.

Shelley Shaw reviewed the LNP Problem Identification Management (PIM) process to date. The scope, process flows, issue submittal forms and tracking forms have been developed and accepted. An issue has been submitted by SBC and accepted. Each LNPA WG has set aside a "standing time" on its agenda (Tuesdays at 2:00 p.m.) to accommodate either in person or conference call presentations of individual problem identification management issues. The standing time will be announced by letter to industry organizations and regional operation teams to further socialize the process and to inform interested parties of the availability of the forms on the LNP web site.

At the July 20-21, 1999 NANC meeting, the *Second Wireline Wireless Integration Report* was submitted for review. In response, GTE submitted a contribution which was reviewed with the Council by Norm Epstein. The contribution raises concerns regarding E911 and slamming.

Chairman Hasselwander asked whether the LNPA WG addressed the E911 and slamming issue during the development of the Integration Report. Ms. Shaw stated that both the E911 and slamming issues were examined, but that more time was spent addressing the E911 issue.

Carl Hansen added that the business models are not the same for wireline and wireless. Wireless business requires a shorter pooling interval, and steps have been taken to modify the architecture to accommodate the wireless business porting interval. Beth Kistner noted that some wireline carriers offer rapid turn-up of service and, in some cases, the

proposed wireless porting interval is longer than the normal wireline service turn-up. Anna Miller clarified that the *Second Report* does not shorten the wireline porting interval. The report offers three options for shortening the wireless porting interval. The current wireline to wireline business arrangement permits a port to take place in less than four days; there is no requirement to shorten the wireline porting interval.

According to the GTE contribution, if accelerated porting (wireline to wireless) is adopted, the effect on the E911/PSAP call back capability could be problematic in a “mixed service” scenario. For example, if a wireless phone is activated for service prior to the completed port activation by the NPAC and a customer dials 911, the correct mobile directory number (MDN) for callback would be delivered to the PSAP. However, the call back attempt to the MDN would be routed to the old wireline switch instead of the wireless switch.

Chairman Hasselwander questioned how slamming becomes an issue where carriers negotiate a shortened porting interval. Paul Hart offered that the problem occurs when the carrier that is not a party to this agreement executes changes without notification. Ms. Kistner added, and Mr. Epstein concurred, that E911 is an issue affected by reduced intervals, but slamming is an issue with any type of porting.

Chairman Hasselwander proposed accepting the *Second Report* as is and having the LNPA WG continue to work the E911 issue, *i.e.*, how shorter porting intervals impacts E911, and report to the Council on any open issues. The *Second Report* should be forwarded to the Chief, Common Carrier Bureau for information, noting the two open issues. The LNPA WG was requested to come back to the Council with an objective date for a *Third Report*, addressing the slamming issue; E911 issue; NPAC Release 3.0 and the PIM management tool.

Slow Horse Subcommittee Report. Steve Addicks, MCI Worldcom, reviewed the update with the Council. Under the slow horse scenario a service provider fails to receive the NPAC broadcast. The business need is end-to-end performance; that is, from the time the activation message is sent to the time when all network databases are loaded. The current failure rate is 2.7%. This failure causes additional work for NPAC personnel; it generates trouble reports; failed broadcasts harm a new service provider’s reputation, and this harms competition generally in that it creates an additional risk to a customer considering porting its numbers to another service provider. The Subcommittee has agreed that there should be one LSMS performance requirement and LSMS availability requirement and will continue to work on what values to assign within the two requirements, how to test each requirement and how to measure adherence to each requirement. Carl Hansen questioned what is the impact of a carrier that does not comply with the LSMS requirement. Mr. Addicks explained that when a failure to receive messages occurs, the network fails to populate the data which in turns creates porting difficulties, *i.e.*, newly-ported customers may not know whether they are receiving all traffic. The Subcommittee has not addressed enforcement or penalties for non-compliance. Chairman Hasselwander stated that the NANC should decide on enforcement mechanisms, but it is important to first set standards and requirements.

Brian Baldwin, Ameritech, reported a problem with turn up activity for NPAC/SMS Release 2.0 in the Midwestern NPAC. This difficulty was not noted in the LNPA WG report. As a result, the Council requested that the LNPA WG review the conditions on the turn up of Release 2.0 to determine whether better coordination and testing by all carriers that will be porting would have prevented the problem.

With regard to the LLCs approval status of Release 3.0 (number pooling release), it was suggested that NANC should monitor that activity. Gerry Thompson, Mobility Canada, suggested a vendor progress report. Anne La Lena stated that the Mid-Atlantic LLC voted to approve an expedited version of Release 3.0, and 5 other LLCs considered that version of 3.0 but did not approve it. She added that some LLCs voted against Release 3.0 based on the fact that there is no regulatory order mandating number pooling at this time; other LLCs did not have a consensus to vote the issue and therefore the matter is still pending. Implementation of Release 3.0 has begun in the Mid-Atlantic region. Chairman Hasselwander suggested that a letter be sent to the LLCs requesting an update on where they stand on Release 3.0, as well as a periodic report on the vendor's development and implementation progress. Ms. La Lena agreed to gather information regarding the ongoing LLC approval activity and report back to the Council at future meetings.

Ed Gould, AT&T, added that some regional LLCs have already paid the vendor for expedited development and release of Release 3.0. Lockheed Martin is proceeding with the development of the software to enable pooling despite the fact that not all seven LLCs have accepted or approved going forward with the development. Dan Hochvert, Bell Atlantic, stated his support for national standardized pooling, and emphasized the importance of setting up cost recovery mechanisms for development of the software required to implement pooling. Mr. Hochvert also expressed his concern over the NANC's apparent reluctance to work closely and coordinate with the LLCs to get the desired national uniformity. Chairman Hasselwander added that it is important for the Council to have the complete set of facts in order to deal with the questions raised. A letter will be sent to all LLCs seeking an update on the acceptance of Release 3.0 and an explanation regarding the lack of voting and/or consensus by individual LLCs.

C. North American Numbering Plan Administrator Update. John Manning, Lockheed Martin CIS, provided an update on the central office (CO) code demand activity and growth. The report details CO code assignments from 7/1/98 to 6/30/99 by industry segment, and compares the CO code demand per the NANPA Exhaust Study, which projected that 14,889 CO codes would be assigned in 1999. Net code assignments reflect the recovery of codes in the 2Q99 through reclamation, by which 535 codes have been recovered. There are 65 NPA codes in rationing, which is used to slow the consumption pace.

The update indicates that the total number of CO codes actually assigned for the month of July was 1,478, and the new annualized demand is now projected to be 15,804 – an increase of 915 codes over the Exhaust Study projection.

Carl Hansen questioned how rationing and pent-up demand which does not materialize until a new code is introduced might effect the annualized projection. Mr. Manning agreed to report back on the effect of pent-up demand versus true demand for the first half (1H99) CO code demand (that is, demand that is attributable as a result of NPA relief and/or a NPA coming out of rationing).

D. Central Office Code Utilization Survey (COCUS) Reporting by Resellers.

Chairman Hasselwander stated that at the last meeting, the INC report recommended that NANC revisit its earlier decision regarding how resellers would be handled with respect to the reporting of utilization and forecasting data to the NANPA as part of the COCUS process. As a result, TRA was invited to make a recommendation to NANC as to how they would like to see this issue handled. Charles Hunter, TRA Resellers, provided the update to the Council, stating that this issue raised potentially conflicting interests and concerns for its membership. TRA consulted its members for their input and Steve Trottman, Vice President Industry Relations, presented the TRA's recommendation based on the views of its membership. NANC should maintain the original recommendation that resellers continue to report both forecast and utilization through the underlying carrier which in turn will report that information to NANPA. The protocols for forecasting are already in place now through the resale and interconnection agreements. The benefits of establishing new protocols to prevent the potential misuse of competitive information are outweighed by the burden that would be placed on the resale community.

Chairman Hasselwander requested more detail on what is the scope of the burden of resellers reporting directly to the NANPA. Mr. Trottman responded that resellers are not allocated blocks of numbers; instead they obtain numbers on an as needed basis with most of their activations being "switch as is" or "switch with change" for numbers that are already in use. There is no utilization of any new numbers, so there is no block assignment taking place. There are some new providers, particularly, pre-paid local service providers, that do use more new numbers than a traditional local service provider, but even they obtain numbers on an as needed basis through the pre-ordering process that they have already established with the underlying carrier. Also, with a reseller agreement there are forecasting and utilization requirements built in to these agreements, and so any direct reporting requirement would be an additional burden, particularly for a small reseller. TRA fails to see that there will be tremendous amount of benefit. With respect to wireless resellers, although they may be assigned blocks of numbers, again most of the forecasting and utilization is already built into their agreement with the underlying carrier. The establishment of yet another protocol would be of little perceived benefit with respect to the TRA members.

Dan Hochvert stated that with respect to utilization information, it is unclear how an underlying carrier will know what is exactly in service with services such as centrex where blocks of numbers are reserved. The carrier would have to ask the reseller for that utilization data in order to have the ability to report accurately on utilization of resellers and type 1 in service numbers. Mr. Trottman stated that most of the TRA members polled are not assigned numbers in blocks. With respect to centrex services, there are some block assignments, but the ordering of service still goes through the underlying

carrier. Because orders are placed to get the assignment of numbers, and orders are placed to activate the service, TRA would suggest that the party who controls the network and the switch would have the ability to discern how many numbers are utilized.

Dan Hochvert responded that among service providers there is no such a mechanism in place today to aggregate the in-service information of resellers. Mr. Hochvert opined that the industry has gone out of its way to ensure that there was competitive neutrality in the collection of this data. It now appears the previously adopted recommendation flies in the face of that neutrality by having resellers report forecasting and utilization to the underlying carrier. Mr. Hochvert proposed that the code holders do the forecasting, but that we be cognizant of the burden on small resellers and require that only large resellers directly report to NANPA. It was suggested that a threshold number of 5,000 per rate center or NPA be used to distinguish large resellers that report utilization directly to the NANPA. This would remove the most competitively sensitive information from the code holders' access, and probably also improve accuracy of the utilization reporting. This is a middle ground between burdening the reseller industry or a portion of the local exchange carrier industry and burdening the code holder.

Chairman Hasselwander questioned if there is a distinction between those resellers given blocks of numbers and those not given blocks. Mr. Hochvert responded that large resellers tend to get blocks, so if you pick the right threshold there should be a pretty good correlation. Questions were raised concerning how the industry and NANPA would administer a threshold process to determine what is a large reseller and what is not.

Beth Kistner, ALTS, requested clarification why there is a need for a second level of reporting. The underlying carrier already has reported the numbers assigned to a reseller as unavailable either in blocks or assigned individually. These numbers are already counted as assigned to the underlying carrier and reported in the underlying carrier's data. Is there a perception of an under utilized numbering resource held by resellers that necessitates this level of reporting? Mr. Hochvert replied that are no valid statistics on that point, but the industry is looking for accurate information on what is a significant use by resellers in large metropolitan areas. It is unknown whether reseller utilization is 50% or less. Bell Atlantic would not want to be in the position to gather that information.

A question was raised as to whether the code holder would aggregate the demand for "assigned" numbers as a mechanism to forecast growth for all resellers and Type 1 wireless carriers. The suggested threshold level approach needs further study and consideration. Ed Gould, AT&T, stated that TRA agrees with the NANC recommendation that the underlying code holder should report the data, and NANC should stand on that previous decision.

Vince Majkowski, NARUC, stated that users of the resource should have both forecasting and utilization reporting responsibilities -- it adds an element of accountability into the equation. It is NARUC's position that the user is responsible for the utilization data; let the user of the resource be accountable for what they are using -- a free resource.

Chairman Hasselwander questioned whether gathering utilization data is only at issue where numbers are assigned in blocks. Paul Hart responded that the original NANC decision, to a significant degree, was based on the fact that resellers do not have numbers separately – the number resource comes with a service that they are purchasing, so it is very difficult to separate them. NANC reached the conclusion it originally did because of the linkage between the number and service they are buying. The underlying carrier selling the service knows what is in service and any numbers reserved in favor of the reseller would have to be reserved through the underlying carrier. The reseller forecasts its demand and service in order to provision for facilities.

Bill Adair, SBC, added that the biggest issue is with assignment to resellers in blocks. Providers will purchase a service from SBC and require 10,000 numbers which they in turn resell. If a Type 1 wireless carrier was assigned a full block, however, SBC would not know if 1000 numbers were activated or the full block. SBC has no problem with insisting on accountability as long as there is authority to ensure we get accurate data back. As an example, SBC would have no other option than to get the data from the underlying service provider, and state how many are reserved, working or in aging -- or simply report the numbers as all working. Utilization is important from a contamination standpoint with respect to thousands block pooling – blocks under company A cannot be donated to the pool because they are unavailable for assignment regardless whether they are working or not.

Carl Hansen added that today the industry has the LERG for lookup to find out what NXX is assigned to what service provider. Utilization data should be obtained from the assignee. In the future the LERG will be expanded when the industry moves to thousand block pooling to identify holders of 1K blocks. Additional concerns about avoiding double counting and enforcement of reseller reporting requirements were raised.

Peter Guggina stated that the code holder should have the responsibility for reporting and do so in an accurate and timely manner, and that numbers assigned at less than the block level should be treated as used or activated. Vince Majkowski, NARUC, added that this was addressed last month by the INC which requested additional NANC policy guidance for the development of guidelines; NANC needs to get back to the INC regarding this matter to facilitate its development of guidelines. Numbers that are assigned at less than block levels will be counted as used. The Reseller is not responsible for reporting on numbers it did not receive in blocks.

Chairman Hasselwander stated that NANC needs to have complete data on this issue and close the matter at the September 1999 NANC meeting. It was suggested that reporting should be by the code holder and the code holder should depend on the business relationship to get forecasting and utilization data from its resellers. After extended discussion, a group consisting of Vince Majkowski (NARUC), Bill Adair (SBC), Natalie Billingsley (NASUCA), Norm Epstein (GTE) and Peter Guggina (MCIW) agreed to develop an issue statement to rework a recommendation for reporting of Reseller data.

The recommendation will be circulated in advance of the September NANC meeting for discussion and closure at that meeting.

E. Numbering Resource Optimization (NRO) Working Group Report. Mike Whaley, Co-chair provided the report to the Council on two issues -- reserved numbers and the legally enforceable agreement (LEWA), and the timeline for implementation of the COCUS replacement.

Reserved numbers and the LEWA. Discussion on the reserved number/LEWA issue raised questions regarding what is a suitable substitute for a LEWA; the customer service record generated by the legacy system today is the document between the carrier and the customer. The purpose of the LEWA is to provide an audit trail to check the service provider's compliance with its obligation to release reserved numbers for porting to another service provider. It was suggested that at a minimum, a letter between the end user and the service provider is important and would be required in a case of dispute resolution. Dan Hochvert noted that there needs to be an appreciation of the cost burden of notification -- adding or expanding notification requirements adds cost to the customer service process. Phil McClelland, NASUCA, responded that such a letter would document with the customer what numbers were reserved and would assist service providers as they attempt to port reserved numbers as well.

Chairman Hasselwander stated that the issue here is whether the service record needs to be documented with the customer (end user). Having a requirement for written notification may influence how carriers market number reservations. Chairman Hasselwander questioned at what level a letter notification to the end user should be required. It was agreed that the threshold determination and the cost and consumer issues will be further reviewed by Bill Adair, Dan Gonzalez, Dan Hochvert, Ron Havens and Philip McClelland, who will develop a recommendation for setting a threshold for customer written notification.

It was agreed that the Council would recommend to the FCC that a LEWA is not required as addressed in the current local number portability order, which requires the existence of a legally enforceable written agreement for the porting of reserved numbers. NANC will suggest to the FCC that this requirement is no longer necessary and should be removed from the LNP policy.

Timeline for the COCUS replacement. The timeline was revised to clearly reflect the individual task that must be completed for a successful implementation of the Hybrid proposal. The replacement tool for the existing COCUS is an issue raised in the FCC NRPM on Numbering Optimization. The NRO timeline includes live interface testing for COCUS reporting. There are approximately 3000 service providers which will provide data to NANPA through an electronic interface. Carl Hansen questioned how NANPA under the current COCUS is responding to the individual state commission requests for COCUS data. John Manning, NANPA, responded that he was not aware of any instances of NANPA currently working directly with any states on data requests. Beth O'Donnell reported that some state requests by subpoena are for utilization data as

well as forecasting data. Norm Epstein commented that the timeframes noted are extremely optimistic taking into account the recent experience that the 1K Pooling IMG has experienced.

F. *Split Rate Center Issue.* Chairman Hasselwander circulated a draft letter addressed to the Chief, Common Carrier Bureau, regarding the split rate center issue. This issue was discussed at the July NANC meeting. The draft letter highlights the concerns raised when geographic area code splits follow other than existing rate center boundary lines. The duplication of CO codes resulting from this practice is an inefficient use of numbers that can lead to premature exhaust of the NANP. One case noted by the NANPA would require the use of 104 additional codes. Chairman Hasselwander received several comments on the draft letter. The letter does not object to the current NPA relief plans already in place in Minnesota, New York or Arizona, but sends a strong message that overall this is a very bad practice. Erin Duffy, NARUC, stated that NARUC does not support any reduction in the NPA relief planning authority already delegated to the states by the FCC. Chairman Hasselwander stated that currently there is no FCC rule precluding this type of NPA relief plan, but the Industry Numbering Committee (INC) has recently stated that NPA boundaries should follow rate center boundaries and accordingly, has revised its *NPA Code Relief Planning and Notification* guidelines.

Administrative Note: Because this was the last meeting to be Chaired by Alan Hasselwander, FCC Chairman William Kennard stopped by to give Chairman Hasselwander his personal thanks and that of the Commission for his leadership and dedication, and praised the entire Council for its remarkable contributions.

Paul Hart stated that the issue was whether to support uniform national guidelines to make the best use of the resource. NANC must determine on what to base its recommendation, keeping in mind the political pressures on the individual states. Chairman Hasselwander commented that the rights of state regulators under the current FCC rules and orders should be taken into consideration when modifying the guidelines or considering whether to establish additional rules. Paul Hart added that USTA supports an FCC rule which would avoid future splits, and that the broader issue of additional state authority is a threshold issue in the NPRM. Several parties indicated support for either a rule, or at least a stronger message.

Beth O'Donnell, NCTA, noted that Minnesota went through rate center consolidation based on recommendations from the industry, only to find itself in a bind later requiring the introduction of two new NPAs. Ron Binz, CPI, added that this scenario is an egregious abuse of the numbering resource because of the duplication of codes requirement, and that NANC should state its belief that the NANPA would be within its rights to deny codes. It is important to come to an agreement on this issue and to provide the NANPA with the authority to approve or disapprove NPA relief planning in accordance with the guidelines in the future.

Chairman Hasselwander will edit the draft letter to reflect suggested changes and will include the NARUC position. Other entities will have the opportunity to state their minority opinion in the open docket. With regard to ongoing situations in Minnesota, New York and Arizona, NANPA will provide an update at the September NANC meeting on the split rate center effect as implementation takes place.

G. Issue Management Group (IMG) NPRM - Paragraph 38, Final Report. Jim Castagna provided the report to the Council. Paragraph 38 directed the NANC to make recommendations regarding which, if any, of the measures discussed in Section IV of the NPRM, should be adopted as FCC rules. The IMG draft final report was e-mailed to the members prior to the meeting for their review and consideration. The report identifies a required rule-set which describes the activities necessary to ensure that use of numbering resources is aligned with the goals of the industry, namely the efficient use of numbering resources. Among other things, the report recommends that service providers and the NANPA be required to participate in activities such as COCUS and Audits, and be required to submit Months-to-Exhaust Worksheets and CO Code Application Part IV Forms.

Paul Hart, USTA, suggested a change to the report to include stronger language in Part B, stating “unconditional authority” on the part of the NANPA to withhold assignment of the numbering resource for non-compliance with reporting obligations. This is a policy issue that NANC reached consensus on during the November 1998 meeting.

Norm Epstein suggested that the last paragraph of section 6 not be submitted because the issues seem to be peripheral. Chairman Hasselwander suggested handling this in the cover letter. He also suggested that there should be coordination between the IMG and the NANPA Oversight WG on these issues to edit, as appropriate, documents containing administrative principles regarding LEWA, reserved TNs and Reseller Obligations. Harold Salters, PCIA, recommended leaving the background as stated in the current version of the report for the benefit of a fuller discussion on the NPRM record. The Council concurred; the report will be edited accordingly and forwarded with a cover letter to the FCC.

H. Lockheed Martin CIS -- NeuStar Proposal. Jeff Ganek, Lockheed Martin CIS reviewed the history of the request to transfer the CIS business unit to Warburg Pincus, filed with the Commission in December 1998. After completion of the comment and reply comment cycle, the NANC recommendation and subsequent comments and replies on that recommendation, the FCC staff had concerns regarding ensuring neutrality. In response, LM submitted an amended request that proposes a voting trust in which the new entity’s (NeuStar) board cannot be controlled by Warburg Pincus. The amended request was placed on public notice for comment by September 7 and reply comments by September 17. The public notice also invited the NANC to make a recommendation if it deemed appropriate.

Under the amended request and voting trust model, two seats will be held by two independent directors with no relation to Warburg Pincus whatsoever. The two seats will

be filled by Henry Geller, long time telecommunications and public interest advocate, and Dr. Kenneth Carr, CalTech. The bulk of the voting shares will be in a trust with totally independent trustees. A fiduciary trustee must vote shares in the economic interest of NeuStar. There will be a code of conduct that requires a neutrality audit by a third party on a quarterly basis. Warburg Pincus may vote its shares in the future, but it would not be involved with the day-to-day operations of NeuStar.

There was discussion following Mr. Ganek's presentation. Several members expressed views noting that this proposal is even more neutral than the last, of which NANC approved. It was agreed that a letter to the FCC from NANC, citing the improvements over the last request, would be appropriate. Carl Hansen suggested changes to the code of conduct, deletion of paragraph 4 regarding the sharing of confidential information and the apparent ability of persons of Neustar management from naming new directors, the chairman and remaining administrators. Mr. Ganek added that staggered terms of the independent directors will avoid dual vacancy situations. Chairman Hasselwander stated that NANC will send a letter to the FCC expressing NANC approval to accept the revised plan and approve the plan expeditiously so the industry can proceed on other related NANPA plans. Bill Adair, SBC, abstained from voting on this matter.

I. NANPA Oversight Working Group Report. Andrea Cooper, Co-chair provided the report to the Council. There was no report from the NANPA at the last WG meeting held in Chicago. The WG is still monitoring the performance evaluation issues. With respect to the audit framework document, the WG is seeking NANC approval in order to forward the document on to the INC.

The framework document provides direction to the INC on suggested procedures for an audit. The INC will, in turn, write guidelines and further define procedures. The framework document will act as a benchmark for audits. Beth O'Donnell commented that INC should ensure that to the untrained (outside) auditor the guidelines are clear enough. Ms. Cooper stated that the framework document assumption is based on a neutral auditor selection and that "for cause" audits are to be conducted by the NANPA. NANPA will audit Part 4 submissions and months-to-exhaust worksheets. There was discussion on "for cause" audits: what would trigger a "for cause" audit and who should conduct such audits. John Manning, NANPA, added that there was agreement that "for cause" audits on the CO code application process are NANPA's responsibility; however, there may be other "for cause" audits. Beth Kistner commented that differences in the audits should be noted as well as the different triggers for audits. The framework document should contain more specific examples before it is forwarded to the INC.

Chairman Hasselwander suggested sending the framework document to INC with a cover letter defining what is meant by "for cause" audits in order to move the process along. Ms. Cooper stated that the September INC Workshop will undoubtedly identify other "for cause" audits, but for now it is important for INC to get started on "for cause" and random audits. Chairman Hasselwander suggested that cost recovery issues relating to audits should be worked by the Cost Recovery Working Group. It was recommended that the NANPA OS WG will continue to modify the framework to address regulatory

requirements and provide detailed requirements to minimize the number of decisions to be made by auditors.

August 25, 1999

J. Opening Remarks. Chairman Hasselwander provided an edited version of the split rate center letter. The letter was accepted as modified. The July NANC meeting minutes were approved with no changes. Final changes to the draft letter on the split rate center issue were proposed and accepted.

K. Audit Issue Management Group (IMG) NPRM Paragraph 90 Progress Report. Karen Mulberry provided the report to the Council. The IMG has defined the NANPA obligations for “for cause” audits relating to the CO code application process. The 1997 *CO Code Assignment* guidelines were used to determine the baseline audit obligation. The IMG will next update that baseline audit obligation with any changes in the recently revised *CO Code Assignment* guidelines. The IMG prepared a two page progress report summarizing NANC’s the past and current activity, responsive to the Commission’s directive in the NPRM. Peter Guggina noted that the results of the NANPA/Bell Atlantic interim audit trial have not yet been presented at the August NANC meeting as stated in the summary report. Chairman Hasselwander acknowledged the oversight and suggested the report be modified to state that the results will be presented at the September 1999 meeting. It was agreed that the progress report will be forwarded to the Chief, Common Carrier Bureau.

Chairman Hasselwander reiterated Andrea Cooper’s suggestion that a body such as INC could review all the relevant guidelines to identify implications for “for cause” audits, and report back to the NANC.

There was discussion regarding what entities could initiate an audit. Chairman Hasselwander stated that INC will identify what conditions would trigger a “for cause” audit. There was discussion concerning whether the policy issues should be identified and dealt with first, such as what conditions or entities can trigger an audit. The documents as presented today contain some vagueness, but can be sent to the INC to start the process. It was further suggest that the document should distinguish the “for cause” audit from those included in the NANPA contract and other audits related to the CO code application process.

Chairman Hasselwander suggested that the Council review the documents and look for the policy questions that will need to be discussed at the next meeting. NANC will then give guidance to the Audit IMG or to the NANPA OS WG on those issues. Peter Guggina suggested that documents of the Audits IMG and NANPA OS WG be combined into one document before sending to the INC.

The Council agreed that there will no regularly scheduled audits and that the INC should begin work on random audits. Additionally, it was agreed that the Audit IMG and the NANPA OS WG would combine its documents for NANC review. The Council directed the Cost Recovery Working Group to review the combined audit document for any cost related issues that may effect the NANPA funding. The combined document will be produced and circulated to the full Council by September 10th. The Council will review

and identify any policy concerns; all Council member comments received will be circulated no later than September 20th. The final product will be reviewed at the September meeting. The approved combined document will be used in lieu of the audit framework document and should be considered an evolving document with respect to “for cause” audits. The combined document will be forwarded to INC, which will be directed to first look at the guidelines with respect to random audits.

L. Central Office Transition Task Force (COTTF) Final Update. Andrea Cooper, Co-Chair, NANPA Oversight Working Group provided the final update on the COTTF activity. The COTTF held its last conference call on August 19, 1999. The NANPA transition and all its functions followed a two-track approach in the transitioning plan, which was approved by the Council in February 1998. The first step was the transition from Bellcore to Lockheed Martin of the NANPA NPA relief planning function, completed in March 1998. The CO Code administration transition by region was completed in July 1999 with AlaskCom as the final region to transition. The Task Force agreed that its charter, as approved, has been completed. The Council congratulated the Task Force Co-chairs Char Meins, AT&T Wireless and Doug McCullough, BellSouth, and the entire Task Force for their excellent work.

Ms. Cooper announced her resignation as one of the two NANPA Oversight WG Co-chairs. At its last meeting, the WG selected Karen Mulberry, MCI WorldCom, as Ms. Cooper’s replacement. The Council accepted and unanimously approved the co-chair selection. It was noted that Co-Chair Pat Caldwell, Bell South who is recovering from illness is expected to resume his co-chair duties in September.

M. Cost Recovery Working Group Report. Anne La Lena, Co-chair, provided the report to the Council. The WG is continuing to review its recommendation on the oversight of NANPA/PA/NPAC business relationship. The WG recommends that the LLC’s have oversight of the arrangement between the PA and the NPAC to the extent necessary. Oversight by the LLCs is believed to be the most direct and appropriate because the LLCs hold the contracts for NPAC services and have oversight management of the NPAC; therefore, they would have a business interest in knowing the terms, conditions and prices for any services performed by the NPAC on behalf of the PA. The NANC should request that the LLCs keep it informed of issues arising from this business relationship. General concerns were raised about the NANC’s relationship with the LLCs, and its role with regard to the LLCs.

The WG will continue to support the Pooling Administration IMG activity as it finalizes the PA Requirements Document and as Lockheed Martin modifies its response thereto. Ms. La Lena announced the resignation of fellow Co-chair Frank Meeks, SBC. Nominations for a replacement co-chair will be considered during the next conference call meeting on September 10th at 9:00 a.m., eastern.

There was additional discussion on the proper scope of the LLCs’ oversight responsibilities over the NPAC, and on the need to define the relationship between the NANC and the LLCs. Dan Hochvert volunteered to prepared an issue statement

regarding the LLCs' oversight responsibilities, which extends only to NPAC services. An issue statement will be sent to Jeannie Grimes, FCC, for circulation to the full Council. There was some disagreement on whether the issue of the business relationship between the pooling administrator (PA), NANPA, and the NPAC needed to be discussed. The Council reached consensus to remain silent on the issue. Ms. La Lena stated that she would report back to the WG that NANC determined there is no need to address this in the letter.

Administrative Note: Diane Griffin Harmon, DFO, invited everyone to remain in the Commission meeting room after conclusion of the meeting. The Commission will have light refreshments and a few visitors from Noon to 1 p.m.

Mary Pat Brennan, NECA, provided an update to the Council on the NANPA fund performance, and a summary of the FCC Streamlined Contributor Reporting Requirements, *Report and Order*, CC Docket No. 98-171, and briefed the Council on the proposed billing process for Year 3 of the NANPA operations.

Under the *Streamlining Order*, gross revenues have changed to end user revenues. The Fund Year is now from July to June, not from March to Feb. The minimum contribution was reduced from \$100 to \$25. The next funding year will use data on the initial filing of FCC Form 499. Form 499S will be filed by companies who have more than 10K in revenue. NBANC will look at the companies below 10K to calculate those bills. Regarding the adjustment in the reporting period to the July to June model, the Year 3 contribution will cover a 16-month period. The handout describes the process in detail. Contributions were received from Canada and the Caribbean. In September, NECA will distribute a letter to all the carriers describing the new process. NANC and all affected associations should receive copies of the documentation.

Carl Hansen asked if there will be a true up -- a cross-correlation and wealth redistribution. Vince Majkowski, NBANC Chairman, responded that the NBANC is scheduled to meet in November and will address validating the NBANC factor at that time. The factor will be reviewed again in April 2000.

With regard to the financials, the current fund balance is \$1.65 million; projected receivables total \$1.53 million, with payments to LM to date total \$1.78 million, with remaining payments totaling \$2.5 million. Payments to NECA total \$107K to date with remaining payments totaling \$150K. Board expenses are \$7,839; this includes member reimbursement of \$5,449 and meeting expenses of \$2,390. Payments to an external auditor, Price Waterhouse Coopers, to date are \$19.2K, with a year two projection of \$22K.

Full payment from all 11 Caribbean countries was received in July 1999 as a result of the efforts of Alfred Oyog, Cable & Wireless. As of July 30, 1999, 3,889 forms have been received; reporting gross revenues now total \$232 billion, with net revenues totaling \$188 billion.

Ms. Brennan further reported that the completed Price Waterhouse audit progress report has been forwarded to the FCC.

N. Issue Management Group (IMG) Report – NPRM Paragraph 165. Tony Pupek, USTA, provided a review of the IMG's draft final report. It was noted that the draft was report e-mailed to the Council just prior to the meeting and several members had not had an opportunity to review it. Lolita Smith facilitated the last conference call, which was very instrumental in producing a version of the draft report. A copy of report was emailed to the IMG members on Monday, August 23rd, however, the report before the Council has a few editorial changes that the IMG did not see. Additional substantive changes were requested, but those were not editorial in nature; IMG members were encouraged to bring those changes up for discussion during the presentation. The introduction section of the report explains the task undertaken by the IMG. The end of the paragraph suggests that the NANC submit any conclusions or recommendations that it may have regarding pooling, including pooling by CMRS providers, based on the NANPA's projection or the Exhaust Team's findings. It urges all participants in the NPRM proceeding to consider and comment on the number utilization study, NANP Exhaust Study and any responses to the report as they pertain to CMRS participation in pooling.

The Findings section includes the IMG's initial findings resulting from the reevaluation of the NANP Exhaust Study and the previous findings of the Exhaust Team. The Exhaust Team and the IMG suggested that LM make changes and adjustments to the model. The work of the IMG closely matched the work of the Exhaust Review Team that examined the NANP Exhaust Study. Within this section there is a list of concerns that repeats many of the Exhaust Review Team's concerns, and raises additional ones as well.

LM used the assumption that all industry segments will participate in pooling at the same time – in the Year 2000 – although the paging industry is not required to implement LNP, and the remainder of the CMRS industry segment has until November 24, 2002 to implement LNP. This assumption was used despite the fact that all segments will not be LNP-capable by the year 2000.

The Exhaust Study assumes that 206 NPAs would be involved in pooling. However, there are about 130 NPAs in the top 100 MSAs.

The IMG concluded that there should be a staggered implementation for number pooling. There was a difference of opinion as to how many blocks can be but back into the pool based on the number pooling industry segment that is being considered.

It was felt that the assumption used by LM for the estimated number of carriers in each segment that would be operating in mature rate centers was too high. One LM example used 7-12 PSC carriers, and the IMG thought that number was too high. The assumption used by LM of the maximum number of rate centers in which the CMRS and CLEC segments would be operating in was a concern of both the Exhaust Team and the IMG.

Because of the above concerns, some members of the IMG looked at the data and assumptions again and, as a result, another contribution was submitted to the IMG. However, due to the time constraints and operating in a conference call mode, the IMG did reach some areas of consensus as reported in the Appendix to this report as Tables 1 through 5. Also attached to the draft report is an attachment that was part of the above referenced contribution that fully notes the areas of concern and dissent. Lolita Smith added that the text of pages 3 through 6, were fully vetted through the course of the IMG's work on two lengthy conference calls. That work is detailed in Tables 1 through 5. With the exception of the attachment, the draft report is a consensus document.

Chairman Hasselwander stated that this issue cannot be worked by NANC, and that a decision must be made on how to proceed. The Council agreed that the current version of the report needs more work. Diane Griffin Harmon, DFO, added that the FCC would encourage continued participation and work on this report and submission of an *ex parte* would be an acceptable alternative. Vince Majkowski stated that NARUC would not support the present report document going forward as drafted.

The Council did not agree to send the report forward to the FCC as is; however, there was consensus and support for continuation of work on the IMG report. A further developed and refined report will be reviewed at the next meeting and, if accepted, will be forwarded to the FCC as an *ex parte*. Paul Hart added that the NANC needs to come to closure on the LM Exhaust model.

Chairman Hasselwander stated that the Council needs adequate time to review the next version of the report. The IMG should make the document available at least a week before the next meeting and answer the question in paragraph 165 as framed in the NPRM. Chairman Hasselwander thanked the IMG for its hard work, and encouraged all participants as well as the NANC to continue their work in good faith and try to reach consensus on this matter. It is important that the report clearly reflect what the IMG reached agreement upon and what it did not.

O. NANPA Report and Proposal on Large Volume Requests for CO Codes. John Manning, NANPA, provided the report to the Council. A service known as unified messaging, which combines fax, email and voicemail, has resulted in large volume CO code demands. Service providers have requested 50-75 codes in a single NPA, and 100-200 codes over multiple NPAs. NANPA is looking to find ways to accommodate these large requests while avoiding the need to declare jeopardy or immediately initiate NPA relief as a result of a sudden large demand in a single area. NANPA is working closely with requesting service providers and keeping the FCC informed. There is an effort, where practical, to assign codes from under-utilized areas rather than approving requests that would place a NPA in jeopardy. One proposal would be to require an explanation from the requesting service providers of how the numbers will be used. The Council agreed that NANPA should ask for an explanation for large requests, above and beyond a Months-to-Exhaust Worksheet projection. NANPA will continue to apprise the Council of developments in this area.

P. Issue Management Group (IMG) Pooling Administrator – Lockheed Martin (LM) Bid. Peter Guggina briefly reported that there is agreement on the proposal, and that LM and the IMG are revising the proposal and responses to include all the information and agreements reached to date. The IMG is continuing to work on this and will report back at the next NANC meeting. A comprehensive requirements document will be completed in anticipation of FCC action on number pooling in the NPRM.

Q. Other Business. There was a brief discussion on the need to establish dates for the NANC meeting schedule for the first half of the year 2000. A suggested set of dates will be e-mailed to the Council, mindful that the third Thursday of each month tends to be when the FCC schedules open meetings. Diane Griffin Harmon, DFO, advised that during the NANC charter renewal process, the Bureau examined ways to streamline NANC processes. It was suggested that the meetings be reduced from 12 to 10 meeting per year, eliminating the December and August meetings. Fewer meetings will cut down on travel expenses and provide relief on staffing resources for both the Bureau and the Council members. In response to a concern about the ability of NANC to respond to assignment deadlines from the Bureau to the NANC, Ms. Harmon assured the Council that the Bureau will keep the revised meeting schedule in mind. The Council approved the reduced meeting schedule.

Administrative note: The INC Report was not given due to time constraints. A copy of the report was nevertheless provided to each member.

Chairman Hasselwander provided closing remarks, wishing the Council well in its continued work, and urged the members to come to agreement and find ways to keep moving the ball forward.

Lawrence Strickling, Chief, Common Carrier Bureau, thanked Alan for his tremendous support to the Commission. Mr. Strickling then introduced the new NANC Chairman. A public notice will be released stating that effective September 1, 1999, John Hoffman, former Sprint executive, will serve as the NANC chairman. Council members and the public were invited to attend the light reception and award ceremony immediately following the close of the meeting. FCC Commissioner Michael Powell presented Alan Hasselwander with a distinguished service award for his service from October 1996 through August 1999. Richard Metzger, former Chief, Common Carrier Bureau, and Deputy Chief, Yog Varma, added their well wishes in comments following the presentation of the award.

R. Next Meeting: September 28-29, 1999.

VI. Action Items and Decisions Reached.

1. Local Number Portability Working Group (LNPA WG). NANC accepted the GTE contribution on the *Second Wireless Wireline Integration Report* with the following conditions:

- LNPA WG will continue to work the E-911 issue. NANC does not want to support conditions that exacerbate E-911 problems. The LNPA WG should consider the slamming issue.
- The current version of the Wireless Wireline Integration Report is to be considered preliminary and forwarded for information purposes to the FCC.
- LNPA WG will report at the September NANC with an estimate for completion the *Third Report*.

Regarding the Slow Horse Subcommittee Report, NANC will consider the question of sanctions with input from the LNPA-WG.

Noting that only one LLC has approved NPAC/SMS Release 3.0, Anne La Lena (MCI World Com) will report status at future NANC meetings. NANC has asked for reports to be provided on non-acceptance of Release 3.0 on the part of other LLC's.

Based on Ameritech's report of a problem with NPAC/SMS Release 2.0, the LNPA WG is to evaluate the adverse impacts of the Release 2.0 load in the Midwestern NPAC. Would revised coordination and testing have prevented the problem? The LNPA WG was specifically asked to review the conditions in the 2.0 turn-up and determine why the problems occurred.

2. NANPA 1999 CO Code Assignment Activity Report. NANPA will provide similar reports on notable CO code assignment activities at future NANC meetings.
3. Reporting of Reseller's Code Usage/Forecasting Audit IMG. After extended discussion, a group consisting of Vince Majkowski (NARUC), Bill Adair (SBC), Natalie Billingsley (NASUCA), Norm Epstein (GTE) and Peter Guggina (MCIW) agreed to develop issue statement to reworked recommendation for reporting of Reseller's data. The recommendation should be made available in advance of the September NANC meeting for discussion and closure in order that issue can be closed at the September NANC meeting.
4. Numbering Resource Optimization Working Group. The NRO WG will modify the Report on Telephone Number Reservations per the changes agreed to by the NANC. Dan Hochvert (Bell Atlantic) will lead a group to develop a recommendation for setting a threshold for customer written notification of Reserved TNs. It was agreed not to use the term Legally Enforceable Written Agreement (LEWA) and that NANC will notify the FCC that its language regarding LEWA's in existing rules will require review/modification.
5. Letter on Minnesota, Arizona and New York Geographic Area Code Splits That Follow Other Than Existing Rate Center Lines. NANC agreed to changes to the draft letter (draft dated August 26, 1999) which the NANC Chairman will make and provide revised draft to Council prior to sending to the Commission. An

update of this will be discussed at the September NANC meeting. NANPA will provide an update to the Council as implementation takes place.

6. IMG – Paragraph 38. The IMG is to modify its final report as agreed to by the NANC and the revised version will be presented to the Commission as supported by the NANC.
7. LM – CIS Transfer to Neustar. NANC agreed to express its approval to the Commission of the revised organizational proposal presented by LM – CIS. In its correspondence on this matter, NANC will urge the Commission to proceed expeditiously.
8. NANPA Oversight Working Group. The WG should continue work on the Audit Framework Recommendation addressing the following:
 - “Regulatory Requirements”.
 - Review to provide auditors with “bright requirements” to minimize the amount of decisions required..
 - Provide additional definition and describe in more detail on the meaning of the term "regulatory requirements" as used in the document.
 - For Cause Audits
 - Identify the basic elements of "for cause" audits that go beyond audits related to applications. Scope out meaning beyond verifying that application conditions are met.
 - Further define the functionalities of the extended set of "for cause" audit elements for forwarding to INC so that detailed requirements can be developed.intent for INC to complete its work.

The NANC agreed to have the WG forward the current version of the Audit Framework Recommendation to the INC so they can begin their work on random audits. The NANC also agreed that the Cost Recovery Working Group should begin to work on cost recovery relating to audits.

9. Audit IMG. The Audit IMG will work to combine the document “NANPA’s CO Code Audit Obligations” with the document “Audit Framework Recommendation” and forward the combined document to the NANC and to the NANPA OS by September 10, 1999. NANC members may provide input to the Chairman who will forward a complete set of thoughts to all by September 20, 1999. The NANC intends to finalize the report at the September 28-29, NANC meeting. The NANC did agreed that there would not be any requirement for regularly scheduled audits.
10. Cost Recovery Working Group. Dan Hochvert (Bell Atlantic) will develop a statement for exploring the long-range relationships of the LLCs. NANC agreed

to remain silent at this time on the issue of development of any new relationships between the LLCs and any entity other than the NPAC with the LLCs.

11. North American Billing and Collection Update. The NBANC will provide the NANC with the details of the changes in collection rates, forms, and schedules for distribution to the members.
12. IMG Paragraph 165. NANC did not reach consensus at this time to forward the report to the Commission and directed the IMG to continue to work on developing a report that would gain consensus of the NANC at the September NANC meeting. NANC members should forward their input and issues in this matter to the IMG leadership (apupek@usta.org). It was agreed that a consensus report on this issue should be forwarded to the FCC as an *ex parte* filing in CC Docket 99-200.