

North American Numbering Council
Meeting Minutes
February 22-23, 2000 [final 3.38.00]

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 12th Street, SW, Room TW-C305, Washington, DC.

II. List of Attendees:

Voting Council Members:

| | | |
|-----|----------------------------|-----------------|
| 1. | Beth Kistner | ALTS |
| 2. | Ed Gould | AT&T |
| 3. | Dan Hochvert/Jim Castagna | Bell Atlantic |
| 4. | Ron Binz | CPI |
| 6. | Lori Messing | CTIA |
| 7. | Norm Epstein | GTE |
| 8. | Peter Guggina | MCI WorldCom |
| 9. | Jo Anne Sanford/Erin Duffy | NARUC |
| 10. | Peter Pescosolido | NARUC |
| 11. | Thomas Dunleavy | NARUC |
| 12. | Philip McClelland | NASUCA |
| 13. | Barbara Meisenheimer | NASUCA |
| 14. | Beth O'Donnell | NCTA |
| 15. | Dan Gonzalez | Nextlink |
| 16. | David Bench | Nortel Networks |
| 17. | Carl Hansen | Omnipoint |
| 18. | Trent Boaldin | OPASTCO |
| 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 |

Special Members (non-voting):

| | |
|-----------------|-------|
| Maria Estefania | ATIS |
| Leo Mevel | CRTC |
| John Manning | NANPA |

Commission Employees:

Tejal Mehta, Designated Federal Officer (DFO)
Jeannie Grimes, Alternate DFO
Diane Griffin Harmon, Deputy Chief, Network Services Division (NSD), CCB
Charles Keller, Chief, NSD, CCB
Les Selzer, NSD, CCB

Aaron Goldberger, NSD, CCB

III. Estimate of Public Attendance. Approximately 38 members of the public attended the meeting as observers.

IV. Documents Introduced.

- (1) Agenda
- (2) January 18-19, 2000 Meeting Minutes (draft)
- (3) North American Numbering Plan Report, CO Code Activity – 4Q99 Results
- (4) NANPA Oversight Working Group Report
- (5) Numbering Resource Optimization Working Group Report
- (6) Local Number Portability Working Group Status Report
- (7) Cost Recovery Working Group Report
- (8) Industry Numbering Committee Report
- (9) NANC Assumptions Issue Management Group Report
- (10) NBANC NANPA Fund Performance Status Report and Fund Projection
- (11) Issue Management Group Review of State Coordination Group's proposed Changes to the Number Pooling Administration Guidelines
- (12) Thousand Block Pooling Administration Issue Management Group Revised Pooling Administration Report and Recommendation
- (13) Legal Expertise Working Group Review of Final Thousand Block Pool Administrator Response
- (14) Proposed NANC cover letter to Chief, CCB, re: Pool Administrator Recommendation
- (15) Draft Joint Memorandum to Chief, CCB, Re: NXX Code Assignments

V. Summary of the Meeting.

A. Opening Remarks. Chairman John Hoffman provided opening remarks. The January 18-19, 2000 meeting minutes were distributed by hard copy for review and approval on February 23rd. On February 11th the Chief, Common Carrier Bureau released a public notice announcing the selection of Tejal Mehta, senior staff attorney, as the NANC's Designated Federal Officer (DFO) replacing former DFO Diane Griffin Harmon. Charles Keller, Chief, Network Services Division, also introduced Les Selzer, an Economist in NSD, who is the special assistant to the Division Chief.

The following new members were introduced: Commissioner Jack Goldberg, Connecticut PUC; Peter Pescosolido (Alternate); Commissioner Thomas Dunleavy, New York PSC; Greg Pattenaude (Alternate), and Barbara Meisenheimer, Missouri Office of Public Counsel, NASUCA.

B. North American Numbering Plan Administration (NANPA) Report. John Manning provided the report to the Council. The Central Office Code Assignment Activity Report shows a 4th quarter net assignment total of 3,185; this figure includes an adjustment for 545 codes, which were reclaimed during the same period. In the Texas 903 NPA, AT&T has returned 55 codes, and there is an effort underway in the BellSouth

region where AT&T have identified over 240 codes, spread over 9 different area codes, to be returned to the NANP.

The total number of NPAs in rationing at the end of December 1999 was 75. This figure includes NPAs in rationing beginning in 1997 through December 1999.

On page 2, a chart summarizing the 18 month assignment history (7/1/98 through 12/31/99) by industry segment shows the average number of codes requested by industry segment on a quarterly basis.

The projected CO code demand for 1999 through 2003 in the April 1999 NANP Exhaust Study was compared to the 1999 actuals. The study projected 14,889 codes for 1999 and the actuals total 15,121; 232 more codes were assigned than was projected by the study. Ed Gould, AT&T, questioned whether there is a trend indicated here, *i.e.*, ILECs are under forecast according to the chart. Mr. Manning stated that the study may have over-forecast ILEC needs; however, it is hard to say because of the large number of codes returned in the 4th quarter. It is uncertain how long the recovered codes will affect the net assignments; it may begin to flatten out by the end of the 2nd quarter 2000. It is important to continue to look at these figures as an 18 month rolling average. We may be able to make some general observations and reach some conclusions after 2Q00 with respect to trends.

California Lottery. NANPA provided a proposal in response to the CPUC request for a bid proposing fees it would charge to assume responsibility for the California lottery. In comments filed, concerns were raised on whether the bid covered the administration of one or several lotteries. Additional data were submitted to explain each step of the lottery, the price of each step, and the price of administering the lottery for each NPA per month. The revised bid also included the billing and collection function for any fees to fund the administration of the lottery, which was not included in the initial NeuStar bid. The CPUC also asked NeuStar to evaluate how the proposal would need to be revised to enable NeuStar to fully absorb any incremental costs for taking over the lottery administration. A response will be provided by March 7th.

COCUS 2000. As of February 18th NANPA has received 425 COCUS reports from the following industry segments: 313 LECs; 59 CLECs; 51 wireless and 2 IXC's. The COCUS data submission is due by March 1, 2000. Bill Adair, SBC, asked whether NANPA was receiving utilization data and whether it was coming in a consistent format. Mr. Manning stated that utilization data is being provided, but no assessment of the content has been made at this point.

Arizona Commerce Commission (ACC). Arizona has requested to control the release of central office codes if an applicant requests 5 or more in a single submission. The ACC has requested NANPA to suspend applications of 5 or more codes until the state commission directs NANPA to deny or release the codes. For NANPA, this becomes a policy issue when states attempt to control numbering administration by asking NANPA to act contrary to the numbering guidelines. Mr. Manning stated that it is understandable, because there is increasing pressure on state commissions to ensure that the numbering

resources assigned in their states are being properly used. The consistent application of the CO Code Assignment guidelines is a challenge to NANPA. In many instances NANPA is caught in the middle between states and service providers that expect their applications to be processed quickly. Mr. Manning further stated that Beth Kistner, ALTS, wanted to raise the awareness of the NANC going forward that there will be more issues for service providers, states and NANPA to deal with in the code assignment process.

Chairman Hoffman stated that the specific case here concerns a CLEC in Arizona that requested 15 NXXs to serve one customer. The ACC has asked NANPA not to release those codes until the ACC can talk to the customer of the CLEC to understand what they are going to do with those numbers. NANPA agreed to suspend applications for 5 or more codes as requested by the ACC, and to await the ACC's decision on whether NANPA may approve or deny the request. Chairman Hoffman stated that this is a policy issue of whether this is a good use of those blocks of numbers.

Peter Guggina, MCIWorldCom, asked how NANPA should react to requests that might be questionable or excessive, and what process NANPA would go through to validate on its own without any prompting from regulators. Chairman Hoffman stated that NANPA has the right to ask for a certain amount of information; however, NANC does not want NANPA making an independent policy judgment on every application. NANPA's judgment should be ministerial: to review applications for completeness and reasonableness on their face. If applications raise policy questions, then NANPA comes to NANC for direction.

Mr. Manning stated that NANPA has received large quantity requests in the past, and lacking any other information, provided the codes in accordance with the guidelines. At the same time, NANPA releases a letter to the requestor stating that the issue of large code requests is being addressed by the FCC, NANC and at INC, and that future assignments may change based on these discussions. This letter goes out on requests for growth codes where there is a significant difference between the request and the actual 6-month historical data.

Dan Gonzalez, Nextlink, stated that the state delegations of authority have provided the carriers with the rules of the road and some sense of what due process is at the federal and state level. It is important to understand what the internal NANPA process is in these situations: what criteria does NANPA use in determining how to respond; did NANPA check for delegated authority and get advice from counsel?

Chairman Hoffman stated the Arizona and New York situations differ because New York has delegated authority, but Arizona does not. Mr. Manning stated that NANPA tries to work cooperatively with the service providers and the state commissions. When NANPA is asked to work outside the guidelines, NANPA informs the NANC and the FCC as these situations arise.

Chairman Hoffman commented that the upcoming *Report and Order* hopefully will resolve these issues and establish firm guidelines. Hopefully the situation in Arizona is temporary and after the end of March, we will know what the rules are and these kind of questions will not continue to come up. Each state commission is ultimately responsible for addressing numbering issues in its state. From a process standpoint, NANPA should not make policy decisions. Policy issues should be brought to the NANC and to the FCC. Commissioner Dunleavy added that state commissions are uniquely positioned to determine whether NXX codes are being used efficiently, and should have the ability to make the appropriate determination as to the use of a finite resource. Chairman Hoffman added that he understands the frustration of the Arizona Commission. These issues should be addressed by NANC after the FCC issues its *Report and Order*. NANC should work with the ACC to address their concerns about whether numbers are being used efficiently.

Paul Hart, USTA, commented that there is no need to discuss state authority because the issue has not been brought before the NANC. The issue is the basis for the 5 code cut off -- where did it come from? NANC has discussed Efax/unified messaging and determined that the type of service offered should not be a basis for determining whether the use of codes is appropriate. He questioned whether NANPA is raising this as a specific policy issue.

Beth Kistner stated that the Arizona matter is a dangerous situation – the ACC is directing NANPA on numbering administration without delegated authority. Chairman Hoffman stated that States have delegated authority to conduct NPA relief planning, and the question becomes whether CO code administration is part of this scenario. Bill Adair asked how NANPA addresses the delegated authority issue. He added that the CO code administration guidelines are the base line and when there are deviations from those guidelines, NANPA comes to NANC and the FCC for direction. Carl Hansen added that the *Pennsylvania Order*, absent specific delegated authority, explains those responsibilities in detail.

Dan Gonzalez commented that the core of this matter is competition. Tejal Mehta, Designated Federal Officer, commented that judgment on what uses of numbers are reasonable is not in the NPRM. This is an open issue so NANC may provide a position. Chairman Hoffman stated, and the NANC agreed, that when NANPA is requested by a state commission to act in a manner beyond the scope of its specific delegated authority, then NANPA must bring such matters to the attention of the FCC for policy direction.

Beth Kistner commented that this practice places the burden on the service provider to petition the FCC for more codes. Norm Epstein commented that there are no criteria in the industry guidelines to work this type of circumstance.

Chairman Hoffman added that he has concern over the rapid use of NXXs, and suggested that the NANC should examine the use of telephone numbers in non-traditional ways. Such usage has the potential to consume a lot of numbers. NANPA issues numbers based on an application. The numbering resource is free and perhaps there should be some

inquiry into charging for numbers as a way to stave off the rapid assignment and build up of large inventories.

Paul Hart suggested NANC might want to consider establishing an Issue Management Group (IMG) to address the issue of Efax/unified messaging services and the numbering resource. This issue has multiple problems and will require a detailed evaluation.

Michigan 810 Overlay. The Michigan 810 overlay is scheduled for implementation with permissive dialing to begin March 1, 2000. The Michigan PUC states that it has no authority to do NPA relief planning, and therefore will not approve or disapprove the scheduled 810 overlay. NANPA has brought this issue to the FCC, and is working with the Common Carrier Bureau on the matter.

C. *North American Numbering Plan Administration (NANPA) Oversight Working Group.* Pat Caldwell, Co-Chair, provided the report to the Council on the 1999 performance review; auditor requirements and selection process; and the intellectual property rights (IPR) issue. As part of the performance review process and evaluation, the WG conducted a site visit to the NANPA's Concord office, which included an overview of the NANPA code administration system. To date, the WG has received several survey responses from state utility commissions and 29 surveys from service providers.

Auditor Requirements Document. The WG has compiled a baseline document and will continue to refine it at upcoming conference call meetings and the face to face meeting on March 15-16th. A meeting has been scheduled for March 22nd with the Legal Expertise Working Group for their review of the draft requirements document.

Intellectual Property Rights (IPR). NeuStar and the WG have not been able to come to agreement on this matter. NeuStar asserts that IP created by or for NANPA and the associated equipment modified to run such property are transferrable. It is the position of the WG that all intellectual property that NANPA obtains via purchase or development, and all equipment used with that IP are potentially transferrable if obtained following Lockheed/NeuStar's selection as NANPA. The WG suggested, and NANC agreed, that it should confer with the Legal Expertise WG in an attempt to clarify the physical and intellectual property requirements and the positions of the parties. A draft letter to the Chief, Common Carrier Bureau, summarizing the issue and requesting resolution of this matter will be presented to the Council for review at the March 21-22 NANC meeting. The Legal Expertise WG will also assist the WG with exploring options to prevent vendors from including non-disclosure requirements in their bids.

D. *Number Resource Optimization (NRO) Working Group Report.* Beth O'Donnell, Co-Chair, provided the report to the Council on number pooling monitoring and progress on the COCUS Hybrid requirements. With respect to pooling, Ms. O'Donnell briefly reviewed the activity for each of the eleven states with delegated authority to implement pooling.

Maine has ordered pooling in NPA 207. Illinois will implement pooling in NPA 708 in April – this will bring the total to 5 NPAs in pooling. Indiana will hold its first pooling committee meeting with industry in late February. California ordered pooling in NPA 310 to begin in March with fill-rate requirements and reporting across 12 categories of numbers. Trials have been ordered for NPAs 415 and 714 for July and November 2000 respectively. There are pending draft orders for trials in NPAs 925 and 562; this is a total of 5 NPAs designated for pooling in California.

Florida has recommended, but not yet ordered, pooling in NPAs 954 and 561 using NPAC Release 1.4 in the May and July timeframe, and has recommended pooling in NPA 904 using Release 3.0 for implementation in October 2000. New York's first mandatory pooling trial will begin April 1, 2000 in NPA 716. Commissioner Dunleavy added that the New York Public Service Commission has established a cost allocation committee for number pooling which will collaborate with industry on this matter. Texas has a draft order to implement pooling in NPA 512 beginning in August.

New Hampshire NPA 603 pooling will begin with vacant block pooling in April and contaminated block pooling will begin January 2001. Connecticut has held a workshop, and Ohio has held its first pooling task force meeting. Massachusetts has identified NPAs 617, 781, 508 and 978 for pooling on a staggered roll out beginning in the 2Q2000. Wisconsin has open proceedings for 3 NPAs but has not yet ordered pooling. The NRO will continue to track the state activities and will update the pooling matrix on a quarterly basis.

Chairman Hoffman stated that it is anticipated that all the state trials will be required to conform to national guidelines, which are expected to be announced in the FCC's Numbering Optimization *Report and Order* sometime in late March.

With regard to the new COCUS requirements development, Ms. O'Donnell reported that the NRO has made progress on the utilization and new entrant profile elements. The mechanical interface will be discussed (on a high level initially) on the March 7th conference call. Additional COCUS conference call meetings are scheduled for March 17 and March 31.

E. Local Number Portability Administration Working Group (LNPA) Report. Charles Ryburn, Co-Chair, presented the report to the Council. The Wireless Number Portability Subcommittee cancelled its February meeting to allow members time to complete writing assignments on the WNP technical and operational report. This subcommittee will meet face to face on March 6th during the March 6-10 LNPA WG meeting in Denver. With respect to LNP Problem Identification and Management (PIM), a fifth PIM issue has been received by the WG. A list of PIM issues may be reviewed on the LNPA WG web site <http://www.npac.com/cmas/documents.htm>.

NPAC/SMS Release Updates. A proposed roll out schedule was developed for Release 3.0 by the LNPA Pooling Sub-team and presented to the LLCs at their February meeting. The Sub-team is scheduled to review the ITP and M&P with the LLCs next month. With

regard to Release 4.0, the requirements package is complete and will be sent to the LLCs on February 22, followed by a conference call that same day to review and discuss the content of the release package.

Slow Horse Update. The sub-committee has refined its data request to NeuStar to obtain information necessary for the development of the LSMS performance requirements.

The WG is continuing to work on the 3rd Wireline Wireless Integration Report, but has encountered a question that needs addressing by the NANC. Mr. Ryburn stated that the GTE submission addresses issues related to prepay, slamming and E911 issues in the context of the three alternatives for shortening the porting interval as identified in the 2nd WWI Report. The GTE submission proposes that a wireless/wireline port is a new service offering with no existing customer expectations. Based on this premise, the WG needs NANC input as to whether it should continue to work this issue to shorten the interval. From a GTE perspective, there is no expectation that this will occur in less than 4 days and there still exists a serious 911 liability for all carriers.

Norm Epstein stated that all a customer expects is that all services will transfer along with it as soon as possible. Carl Hansen stated that shortening the existing porting interval of 4 days must not compromise the availability of emergency service and must not result in the loss of 911 service or dropped 911 calls. Lori Messing, CTIA, stated that the length of the porting interval is an issue that needs to be dealt with in order to provide wireless LNP capability. Ed Gould, AT&T, asked what it would take in terms of WG effort to continue to work on shortening the porting interval. It was determined that the LNPA WG should continue to work this issue and report back to the NANC on the trade-off. The WG asked for additional time to complete the report for 3rd quarter delivery.

F. Cost Recovery Working Group. Anne La Lena, Co-Chair, provided the report to the Council on the status of the dollar estimate for the first year's payments for the new COCUS replacement tool. It is expected that the FCC's March 31st order will provide sufficient information to focus the development and ascertain the associated costs. A dollar figure recommendation needs to be acted on by NANC during its April 25- 26th meeting and forwarded to NBANC. NBANC plans to submit its filing for FY 2001 to the FCC for approval during the first week of May.

The CRWG co-chairs have sent a memo to the NRO WG requesting information regarding its schedule to conclude the work on the requirements and cost estimates. Ed Gould questioned whether the new/improved COCUS tool would be over and above the existing NANPA contract. Ms. La Lena stated that it would mean an increase in the contract price. The CRWG is attempting to develop a high level estimate to provide input to NBANC to establish the contribution factor for FY 2001 and avoid a mid-year adjustment. The cost of the enhanced COCUS tool should be spread among all carriers.

G. Industry Numbering Committee (INC) Report. Shawn Murphy, INC Moderator, provided the report to the Council. In addition to the meeting listed in the handout, the NANP Expansion workshop has scheduled a conference call in March.

Mr. Murphy clarified, with regard to the state modifications to the INC guidelines, that the INC is an industry forum that is open to everyone including regulators. Adoption of all guideline revisions are arrived at through consensus by consideration of the issues and review of all submitted contributions. Policy decisions are referred to the NANC. At this time, state modifications to the INC Thousand Block Pool Administration guidelines have been posted to the INC web page for information purposes. AT&T is willing to bring the contribution on behalf of the State Group if that is their desire. Norm Epstein suggested that INC should make it clear how it handles contributions, and that it is a two-stage process. First an issue must be established before any contributions are considered and a representative must be present for both.

Phil McClelland asked whether Issue 216 has been addressed as yet. Mr. Murphy indicated that there was some discussion at the interim workshop and that unified messaging service is being investigated. The INC is working on process improvement and has reached some tentative conclusions, and will advise NANC of its outcome at future meetings.

H. Assumptions Issue Management Group (IMG) Report. Beth Kistner provided a brief update to the Council on the two assumptions raised by INC regarding NANP Expansion. They are: (1) the INC uniform dialing plan (UDP) will be approved and implemented prior to NANP expansion, and (2) release of the D digit will not occur prior to NANP expansion. The NANC established the IMG to examine these two assumptions and to develop a recommendation for NANC to provide as input to the FCC on this matter. Ms. Kistner stated that a conference call was held to develop a work plan. The IMG will identify the policy issues relating to the two assumptions and will list the pros and cons for each of the two assumptions. The IMG will make recommendations to the NANC on how to proceed thereafter. The IMG is only addressing national issues and will not address issues of other NANP member countries.

To date, the IMG has not had any state or consumer representatives on the conference calls. However, Greg Pattenaude, New York PSC, has agreed to be the state liaison and will send e-mail to all 50 states to raise awareness on this issue. Additionally, Chairman Hoffman noted another liaison opportunity will be at the NARUC Winter meeting, scheduled for the first week of March. Chairman Hoffman will be participating on a numbering committee along with Harold Salters, PCIA, Commissioner Dunleavy and Peter Guggina, MCIWorldCom.

With respect to the IMG's timeline, a draft recommendation will be presented to the NANC at the April 25-26 meeting and a final recommendation will be provided at the May 23-24 meeting. Trent Boaldin added that NANC members should study the INC NANP expansion report and the uniform dialing plan to become familiar with the issues.

I. North American Billing and Collection (NBANC) Update. John Ricker, Chief Executive Officer, NBANC, provided the report to the Council. On February 18, NBANC notified all U.S. domestic telecommunications carriers of the new reporting

cycle, pursuant to the 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements *Order*, CC Docket 98-171 (Feb. 4, 2000), and the NANPA Funding Order of December 31, 1999 approving the 0.0000577 contribution factor.

The NANPA bills for Year 3 funding will be distributed on February 23, with a due date of March 12th. Copies of letters to be sent to Canadian authorities and Caribbean nations and telephone companies explaining the Year 3 funding process and informing them of their contribution amount for the 16 month period were attached to the update report.

NANPA Fund Performance Status Report and Fund Projection. The current fund balance is \$679K; projected receivables are \$153K; payments to Lockheed/NeuStar to date total \$3.92 million with \$357K remaining. Payments to NECA to date total \$255K with \$21K remaining. Board expenses to date total \$14,308 with \$10.7K remaining. Payments to the external auditor, PricewaterhouseCoopers, in year one total \$19,250, with year 2 payments projected at \$22K.

Mary Retka, U S West, has been named as Acting Chairman, NBANC Board of Directors to replace outgoing Chairman, Vincent Majkowski.

J. Oversight of LLCs and Number Portability Administration Center (NPAC) Activities. Pamela Connell, AT&T, provided an update via e-mail to Chairman Hoffman and Council members on February 18, 2000, on the activities of the LNP LLC (Midwest); North American Portability Management (NAPM) LLC (five former independent LLCs merged into one entity), and the West Coast Portability LLC. Ms. Connell stated that the National Negotiations Team (cross LLC membership) is discussing several contractual matters with NeuStar. Three LLCs will hold a conference call on February 23rd to address the regional rollout schedule for Release 3.0. The NAPM LLC has been working with NeuStar to finalize a standard interim pooling administration contract in support of interim pooling activity in several states. Interim pooling contracts are in place in the LNP (Midwest) LLC and West Coast LLC regions.

K. 1K Pooling Issue Management Group (IMG). Peter Guggina provided an analysis of the State Coordination Group's proposed modifications to the INC 1K pooling guidelines presented to the FCC during an *ex parte* meeting held on January 20th. Following that meeting, Chairman Hoffman requested that the IMG look at the possible impact of those modifications. The IMG concluded that there is a critical need for uniformity of national pooling guidelines. Non-uniform guidelines would impose a significant negative impact and burden both service providers and the pooling administrator. The lack of uniformity would result in operational difficulties, higher costs, more complex systems, and would delay national pooling roll out. Some entities have already begun to implement system changes to support the pooling assignment process as currently defined in the INC pooling administration guidelines.

Chairman Hoffman questioned whether it is necessary for NANC to respond to the States' *ex parte*. Gilbert Orozco stated that it is important for NANC to address the uniformity question and provide guidance on national guidelines. Dan Hochvert, Bell

Atlantic, suggested sending the analysis to the FCC. Jo Anne Sanford stated that there is a difference of opinion on whether NANC as an advisory body should file a response to the *ex parte*, adding that individual parties are free to file their own responses. The State Coordination Group believes the IMG's matrix is inaccurate.

Trina Bragdon added that the proposed changes to the guidelines are not binding on any state. Norm Epstein stated that there was a lot of IMG time spent on the analysis and recommendation and suggested it should be filed as an *ex parte* with the FCC. If the states disagree, then their opinion should be listed as a minority opinion to the FCC as has been done in the past. Jo Anne Sanford stated that there are clearly separate positions and that there will be no agreement among the NANC members.

Carl Hansen added that the INC guidelines for pooling reflect a single national set of criteria, which serve to increase the speed of implementation and keep the cost down to service provider participants and consumers. Trina Bragdon stated that interim delegation orders allow for changes to the guidelines. Chairman Hoffman explained that since NANC had participated in creating and endorsing the Thousand Block guidelines, it is appropriate that NANC respond to the States' *ex parte*.

Peter Guggina stated that there were three conference calls to address what these changes to the guidelines would mean in terms of the pending proposal as well as impacts on service providers. Specifically, he referred to the proposed change to reduce the inventory level to 3 months; it takes more than 3 months for the LERG process. He suggested that perhaps the IMG and State Group have not had enough dialogue. Requirements have to be built and changes cannot be made at the last minute; a consistent approach is needed.

Trent Boaldin stated that NANC does not have to respond to the *ex parte*. The record is before the FCC and NANC supports the INC guidelines. Chairman Hoffman stated that if service providers who assisted in developing the matrix want to file a response to the *ex parte*, they are welcome to do so. Paul Hart stated that the guidelines were written to be in line with Release 3.0. The INC document that is endorsed by NANC represents what the long-term environment should be. Mr. Hart suggested forwarding the matrix to the FCC.

Beth O'Donnell, NCTA, noted that NASUCA asked to look at proposed changes to the INC guidelines during the NRO report development back in 1998. Shawn Murphy stated that AT&T has extended an offer to the State Group to help it establish a working relationship with the INC.

Ron Binz, CPI, stated that the matrix is an IMG product and not a NANC product. NANC should convey to the FCC that this issue is out there and that NANC does not have a consensus on the document. NANC should encourage INC to review the positions that the states have submitted. Mr. Binz further suggested preparing a memo to the Common Carrier Bureau stating that NANC was involved in the creation of the INC guidelines and that NANC will work through INC processes. Bill Adair added that the

specifics of the individual changes are not as important as the overarching goal of uniformity. Trina Bragdon stated that the State Coordinating Group will discuss how to add their contribution to INC process.

Chairman Hoffman thanked the IMG for its evaluation of the *ex parte* contribution. A draft letter will be prepared to the Chief, Common Carrier Bureau, stating that NANC has not modified its position on the Thousand Block Pool Administration guidelines, but that it will continue to discuss the issues raised in the State Group's *ex parte*, and that NANC will work with INC, and will report future consensus positions to the FCC.

Wednesday, February 22, 2000

L. Thousand Block Pooling Administration Report and Recommendation – Final Review of NeuStar proposal. As announced by FCC public notice DA 00-169 released February 3, 2000, this session was closed to members of the general public because it was determined that discussion of the NeuStar proposal would likely involve disclosure of trade secrets and commercial or financial information deemed privileged or confidential. NANC members, alternates and other industry participants signed non-disclosure agreements and members of state utility commissions signed Confidentiality Certifications prior to the meeting.

The following summary of the issues discussed excludes any references to matters considered privileged or confidential.

NANC Members in attendance:

1. Chairman Hoffman
2. Beth Kistner, ALTS
3. Ed Gould, AT&T
4. Dan Hochvert, Bell Atlantic
5. Lori Messing, CTIA
6. Ron Binz, CPI
7. Norman Epstein, GTE
8. Peter Guggina, MCIWorldCom
9. Jo Anne Sanford, NARUC
10. Thomas Dunleavy, NARUC
11. Peter Pescosolido, NARUC
12. Barbara Meisenheimer, NASUCA
13. Philip McClelland, NASUCA
14. Beth O'Donnell, NCTA
15. Trent Boaldin, OPASTCO
16. Carl Hansen, Omnipoint
17. Harold Salters, PCIA
18. Bill Adair, SBC
19. Ron Havens, Sprint Corp.
20. Gerry Rosenblatt, TIA

21. Paul Hart, USTA

Summary of the Recommendation. Peter Guggina, IMG Chair, introduced the report and reviewed the key points of the IMG's recommendation. Mr. Guggina explained that the IMG was formed in January 1999 to begin discussions regarding thousands block pooling with the NANPA based on the draft PA requirements developed by the NANPA Oversight Working Group. The IMG was directed by the NANC to proceed based on the assumption that thousands block pooling is an extension of central office code administration. The IMG finalized the PA requirements and negotiated the terms and conditions under which a national PA would function. With respect to the sole source bid decision, the IMG concluded that having a separate PA, a vendor other than the incumbent NANPA, would be more costly and less efficient, and would likely delay national pooling rollout.

NeuStar will integrate the NANPA Resource Management and Workflow System and PA system to provide information flow to facilitate and manage the administration of thousand blocks. System development could be completed within nine months of the effective date of an FCC order. The PA system is based upon service providers using an Internet web interface to apply for resources and to file required pooling documentation. Penalty payments will be assessed if the PA system is not delivered on the due date in fully functional and final form. Evidence of final pooling administration system acceptance will be subject to finalization of the system architecture and capability descriptions, project plan and project milestones. The NANC or a designated group will monitor development of the national pooling administration system.

With respect to intellectual property rights (IPR), the PA will transfer and assign all US and foreign rights and interests to all IP created by or for the PA in its provision of pooling administration services free of charge to the NANC or its designee. An escrow attorney will have custody of a copy of the software source codes and other pertinent material.

The IMG found NeuStar's proposal compliant with the revised PA requirements which were approved by the NANC on December 22, 1999. The IMG recommends that the term of the PA should be concurrent with the NANPA term of administration.

Legal Expertise Working Group. Hank Hultquist, Chair, provided a report on the LEWG's review of NeuStar's response. A detailed handout was provided listing the issues and the corresponding LEWG recommendations. The LEWG identified a number of issues in Section 11, General Terms and Conditions, of the NeuStar response that may require clarification or changes. With respect to intellectual property rights, the LEWG recommended that the Response be modified to make clear that IP will be transferred to the NANC, its designee, *or any entity designated by the FCC*. A redraft of portions of section 11.7 was provided by the LEWG in the appendix attached to the handout.

The LEWG suggested removal of section 11.16 which establishes a hierarchy for settling conflicts between or among sections of the Response, or in any proposal for additional services. NeuStar should warrant that there are no conflicts in its Response.

Other suggestions concerning PA system delivery and the treatment of confidential information were discussed. Finally, regarding the choice of auditor in section 11.10.3, the LEWG recommended clarifying that NANPA may only reject a third party auditor that does or will compete with it in the area of third party administration of numbering resources.

Diane Griffin Harmon, Deputy Chief, Network Services Division, commented that with regard to statements made in the Telcordia *ex parte* filed on February 16, 2000, the FCC's Office of General Council (OGC) would like to clarify and emphasize that the NANC endorsement of NeuStar as the national pooling administrator is only a recommendation to the FCC. This is considered a preliminary step in the process.

Telcordia February 16, 2000, Ex parte re: Thousand Block Pool Administrator. Hank Hultquist provided an analysis of the issues raised in Telcordia's *ex parte*. Telcordia essentially raises three separate arguments about deficiencies in the current process.

1. The failure to use competitive bidding is counter to long established Commission practice and Congressional authority and if done, will cause various harms that will violate the FCC's duties under the Administrative Procedures Act (APA).
2. The failure to use competitive bidding in this context will violate a specific federal statute, the Competition in Contracting Act (CICA).
3. The use of NANC as a procurement agent violates the Federal Advisory Committee Act (FACA).

The LEWG was asked by Chairman Hoffman to review the Telcordia letter. The LEWG did not have an opportunity to meet and discuss the letter at great length, therefore the following statements are based on Mr. Hultquist's reading of the letter.

The FCC will have to make a determination that conforms to the law and is based on substantial facts in the record. As the federal advisory committee created to give the FCC advice on these matters, the NANC can largely effect what facts are on the record. There are a number of areas in which the NANC could provide additional information, or emphasize existing information, to the FCC. Such information might include, for example: how long it would take to conduct an open bidding process; what impact a bidding process would have on conservation efforts and the costs already being incurred by industry from interim pooling; what other potential costs and benefits there would be if the FCC decides to go with competitive bidding for a pooling administrator. These are just some general areas that the provision of facts, in the form of recommendations, could be helpful to the FCC in its determination on how to proceed on this issue.

Regarding Telcordia's first argument, it raises a series of issues regarding why it's better to use competitive bidding, and why failure to do so will result in the FCC not having reviewed all the information that it needs to comply with its APA duties. The NANC's provision of more information to the FCC addressing the issues Telcordia raises, either pro or con, would be helpful to the FCC.

The second argument raised is under the Competition in Contracting Act, or CICA. Under the provisions of this Act, the contract is automatically stayed upon the filing of a written protest. The stay can be lifted if the head of the agency makes a written finding that performance of the contract is in the best interest of the United States. Without that finding, performance is stayed until the Comptroller General decides the case and through any resulting court challenges to the decision of the Comptroller General.

This argument raises the issue of whether this is a "procurement" under the terms of the CICA. The authority used by Telcordia here is useful in some senses, but depending on what facts are found by the FCC it might not be controlling. NANC could provide specific guidance on what is being bought and who is paying for it, etc., which could effect the FCC's determination.

CICA gives the agency fairly broad discretion to use other than competitive procedures when the agency head determines that it is in the public interest. If the agency head determines that it is in the public interest, he or she must notify Congress in writing of this no more than 30 days before the contract is to begin. One specific area in which the use of other than competitive procedures has been allowed is with the award of a follow-on contract (*e.g.*, for continued development or production of a major system or highly specialized equipment) that is likely to result in a substantial increase in costs or unacceptable delay. These are facts that, if provided to the FCC, could have some impact on their determination.

The last issue raised by Telcordia is that NANC is not authorized under the FACA to act as a procurement agent. There are essentially 2 questions here: whether the NANC has been acting as a procurement agent, and whether NANC's actions in this matter are within its charter. Mr Hultquist concluded his comments stating that due to the time constraints, the LEWG did not have time to review this matter any further.

Chairman Hoffman stated that he had asked Mr. Hultquist to summarize the letter in case NANC members did not get a chance to read it. He opined that NANC should not spend any time debating the legal issues in the letter. This is the job of the FCC's Office of General Counsel. Peter Guggina and the IMG came back to NANC a number of times to confirm their decisions as they went forward over the last year. One decision that they came back with at least twice was the decision to do a sole source, rather than competitive bid. It was confirmed and reconfirmed, so the NANC decided to go forward with the sole source recommendation.

Council members were asked to voice their concerns and comments prior to voting on whether to accept the LEWG's recommendations for changes to modify the NeuStar response, and to endorse the final recommendation as modified by the LEWG. Representatives from NASUCA stated their opposition to the non-public process and abstained from voting on the recommendation. Chairman Hoffman proposed accepting the IMG proposal, as amended by the LEWG recommendations. Of the NANC members present, 18 voted in favor of endorsing the recommendation as amended and 2 NASUCA members abstained from voting. There was consensus to send the recommendation and report to the Chief, Common Carrier Bureau, with a cover letter by February 25th to allow time to incorporate the recommended edits.

Chairman Hoffman complimented the IMG on its work and stated that the executive summary with the key points noted was excellent.

M. Return to Open Session. A draft memorandum from NANC and NANPA to the Chief, Common Carrier Bureau, regarding the Arizona Commerce Commission's (ACC) request that NANPA not assign codes to an applicant requesting 5 or more codes without approval by the ACC was provided to the Council members for review and approval. Also, a copy of the NANC response to the Ad Hoc Telecommunications Users Committee letter of January 14, 2000 was provided to the Council members.

Regarding the ACC request to review applications of 5 or more codes, Beth Kistner stated that without a specific delegation of authority, Arizona should not be allowed to do this and that it sets a quasi-precedent. There needs to be a process whereby NANC, the States and NANPA work together on these types of issues. Chairman Hoffman stated that the memorandum seeking direction on how to proceed would bring the issue to the attention of the Chief, Common Carrier Bureau.

Beth Kistner further stated that it is not valid for NANPA to deviate from the guidelines without specific direction from the FCC. Chairman Hoffman commented that it would be impossible to develop an exhaustive list of situations where exceptions to the guidelines would be permitted and that is why it is necessary to respond on a case by case basis. Given the current situation, the best we can do is to alert the FCC as to what is going on. Dan Hochvert added that exceptions to the guidelines should be determined by the Common Carrier Bureau.

In response to a question as to what should be done in the interim, Diane Griffin Harmon stated that NANPA should maintain the *status quo* until the Bureau can address the matter. Chairman Hoffman added that hopefully, going forward, the NANPA knows it must contact the Common Carrier Bureau in situations where there is no delegated authority for a state to deviate from the guidelines. Peter Guggina commented that it should be clear what the NANPA practice will be next time a similar situation presents itself.

John Manning stated that with regard to NANPA's internal process for handling multiple code requests, a check is made on what historic demand has been and the request is

considered in light of that. Code requests generally have been addressed within the timeframe stipulated in the guidelines.

N. *Approval of Meeting Minutes.* The February 22-23rd minutes were approved subject to late filed changes. Jeannie Grimes will wait 10 days for possible late filed changes and re-circulate the final minutes to the Council members.

O. *Steering Group Report.* Chairman Hoffman provided the report to the Council. Diane Griffin Harmon reported on NARUC and NASUCA membership and announced that there will be no more new NANC seats assigned at this time. The FCC is awaiting, among other things, the outcome of pending mergers before deciding how to fill the open seats. It is also considering whether to reduce the overall size of the NANC through attrition. AT&T was added as a member of the Steering Group.

Norm Epstein updated the Table of NANC Projects to reflect the completion of the 1K Block PA recommendation. The revised table will be posted to the NANC Chair web site.

Chairman Hoffman announced that he would try to stick to the agenda at future meetings, but at the same time allow for a reasonable time to resolve a subject, unless there is consensus to do otherwise. With regard to the idea of future meetings by conference call or fewer meetings, this is something that NANC should evaluate at each meeting (*i.e.*, whether the next meeting is necessary or required). Collection and contributions to the NARUC expense reimbursement account is proceeding; NeuStar is handling the collection and payment of vouchers. Members are asked to e-mail the Chairman if a member needs an invoice for a specific contribution amount.

Chairman Hoffman suggested as an agenda item for the March meeting to consider whether NANC should establish an IMG to study the conflict between the recommendation to states to consider rate center consolidation and the NANC policy opposing rate center splits. This information would be provided to the Chief, CCB, and would probably take at least 2 months to study. Another IMG should be considered to study unified messaging and the rapid use of numbers. Both matters will be discussed during the March 21-22 meeting.

P. *Other Business.* With regard to code opening issues, Chairman Hoffman noted that a protest from FOCAL is now properly before the Network Interface Interconnection Forum (NIIF). Dave Bench, Nortel Networks, stated that this matter will be discussed by the NIIF and offered to provide NANC with a tutorial on its findings.

VI. Action Items and Decisions Reached.

1. North American Numbering Plan Administration (NANPA). NANC Chairman Hoffman, John Manning (NeuStar), Beth Kistner (ALTS), and Tejal Mehta (DFO) will meet to define the method of placing issues before the NANC and the FCC. Chairman Hoffman will work with John Manning to develop a formal letter to the

Chief, Common Carrier Bureau, regarding the Arizona Corporation Commission (ACC) request to NANPA. ACC asked NANPA to suspend all central office code requests of 5 or more codes in a single submission and to forward such requests to the Arizona Commission for approval/disapproval.

- A draft letter was prepared and subsequently approved by the NANC on 2/23/00.
2. Industry Numbering Committee (INC). NANC Co-Chair Binz will draft a letter to the Chief, Common Carrier Bureau, addressing the NANC position with regard to the State Coordinating Group's January 20, 2000, *ex parte* submission which recommended modifications to the Thousand Block Pooling Administration Guidelines. The letter will state that NANC has not modified its position on the guidelines, and that NANC will continue to discuss the issues raised in the *ex parte* filing and will report future consensus positions to the FCC. NANC encourages state and consumer interests to present the proposed modifications of the guidelines at future INC meetings. Some NANC industry members offered to assist the state and consumer interests with that process.
 - The draft letter was reviewed and approved by the Council on 2/23/00.
 3. Local Number Portability Administration (LNPA) Working Group. In response to the question of whether the Council still needs the completion of the *Wireline Wireless Integration Third Report*, the Council affirmed its earlier directive to the WG. NANC asked the WG to evaluate the work and cost to shorten the porting interval and to understand the trade off. The current interval for wireline to wireline is 4 days. The LNPA WG requested additional time to complete the report for 3Q delivery.
 4. NANPA Oversight Working Group. Pat Caldwell, Co-Chair, will contact Legal Expertise Working Group Co-Chair Hank Hultquist to set up a meeting after the March 21-22 NANC meeting.
 - The LEWG will address the issue of physical and intellectual property rights before forwarding a recommendation to the Chief, Common Carrier Bureau.
 - The NANPA OS WG will consult with the LEWG on options to prevent vendors from including non-disclosure requirements in future bids.
 - The resulting recommendation/report will be an agenda item for the April NANC meeting.
 5. Pooling Administration Issue Management Group (IMG). The NANC accepted the IMG recommendation, as amended by the Legal Expertise Working Group proposed modifications to the Requirements Document. The IMG and LEWG will work with NeuStar to conform its bid response with the NANC modifications. Peter Guggina will draft a transmittal letter to the Chief, CCB. The finalized recommendation will be transmitted to the FCC by COB 2/25/00.