

North American Numbering Council Conference Call Meeting Minutes
Thursday, January 7, 1999

I. Time, Date and Place of Meeting. The North American Numbering Council held a conference call beginning at 1 p.m. and concluding at 2:35 p.m. Frontier Communications provided the conference bridge number, 1-800-724-5055, PIN “NANC.”

II. List of Attendees - the following NANC members and alternates were present on the call:

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| 1. | Lisa Saron | American Mobile Satellite |
| 2. | Ed Gould/Shawn Murphy | AT&T |
| 3. | Daniel Hochvert | Bell Atlantic |
| 4. | Lori Messing | CTIA |
| 5. | Ronald Binz | Competition Policy Institute |
| 6. | Alan C. Hasselwander | Frontier Communications |
| 7. | Bernie Harris | GTE |
| 8. | Peter Guggina | MCI WorldCom |
| 9. | Gerry Thompson | Mobility Canada |
| 10. | Erin Duffy | NARUC |
| 11. | Bruce Armstrong | NARUC |
| 12. | Beth O'Donnell | NCTA |
| 13. | Lawrence Krevor | Nextel Communications |
| 14. | Dan Gonzalez | Nextlink Communications |
| 15. | Ray Strassburger | Nortel Networks |
| 16. | Jerry O'Brien | Omnipoint |
| 17. | Trent Boaldin | OPASTCO |
| 18. | Cathy Handley | PCIA |
| 19. | Bill Adair | SBC Communications |
| 20. | Loren Sprouse, Ron Havens | Sprint Corporation |
| 21. | Jacques Sarrazin | Stentor Resource Centre, Inc. |
| 22. | Paul Hart/Tony Pupek | USTA |

Special Members (Non-Voting):

John Manning	ATIS
Leo Mevel	CRTC

FCC Staff:

Kris Monteith	Designated Federal Official
Jared Carlson	Network Services Division (NSD), CCB
Jeannie Grimes	NSD, CCB

III. Estimated Public Attendance: Approximately 32 members of the public attended the meeting as observers.

IV. Documents Introduced.

- (1) Public Notice, DA 99-117, FCC Seeks Comment on Request for Expeditious Review of the Transfer of the Lockheed Martin Communications Industry Services Business, Released January 7, 1999.
- (2) January 7, 1999 Letter from Yog R. Varma, Deputy Chief, Common Carrier Bureau, FCC, to Alan Hasselwander, Chairman, NANC, Re: North American Numbering Plan Administration
- (3) Chairman Hasselwander Email Contribution: "Some Issue and Questions Concerning the Request of Lockheed Martin to Transfer the Communications Industry Services (CIS) Business"
- (4) NANPA Oversight Working Group questions concerning Lockheed Martin/CIS/Warburg Pincus Transition

V. Summary of the Meeting:

A. Welcoming Remarks and Review of Agenda. Chairman Hasselwander called the role and reviewed the agenda. Chairman Hasselwander stated that first, Kris Monteith, FCC, will review the FCC Public Notice (DA 99-117) and the January 7, 1999, letter from Yog R. Varma, Deputy Chief, Common Carrier Bureau (Bureau), that provides direction to the NANC regarding its role in the review of the Lockheed Martin divestiture request. Chairman Hasselwander stated that questions concerning the FCC procedures will be entertained thereafter. Second, Lockheed Martin and representatives from Warburg Pincus will make a statement, and an opportunity for questions and answers will be provided. Third, Mitretek will also make a statement and the same opportunity for questions and answers will be provided. Next, the NANPA OS WG will report its position on this issue. Finally, the NANC will decide today how it will proceed given the request and direction provided by the FCC in the letter and the Public Notice of January 7, 1999.

Ms. Monteith announced that today the Common Carrier Bureau released a Public Notice, which was sent to all NANC members and will be posted on the NANC web page. The Public Notice outlines the procedures that the FCC will follow for gathering public input on the December 21 filing by Lockheed Martin. Concurrently, the Bureau, by letter to Al Hasselwander, as Chair of the NANC, sets forth the Bureau's request for NANC input.

Ms. Monteith stated that the Bureau, and the Commission, believe that very significant issues are involved in the Lockheed Martin request for transfer of the NANP responsibility to a new entity. For this reason, the Bureau determined to follow a different procedure for the gathering of public input on the issues. The procedure the Bureau has adopted is aimed at ensuring that the Bureau fully addresses all issues involved in this important matter, as the Bureau and the Commission move forward. Specifically, the Bureau will be seeking input on issues and questions that the FCC should be thinking about in its consideration of whether to grant Lockheed Martin's request, with or without conditions. Ms. Monteith stated that, in adopting this procedure, the Bureau is not passing judgment on the filing or suggesting that the filing is deficient in any way; rather, the Bureau simply is trying to ensure that it has the benefit of input from the public and considers all

issues involved in this matter. Ms. Monteith stated that the Bureau and the FCC want a smooth transition to the new NANPA, whether it is the CIS unit or the alternate, Mitretek. The Commission also wants to ensure that the industry is not facing this situation again in a year or two.

Ms. Monteith stated that the Issue/Question due date is January 22, 1999. Ms. Monteith also stated that the Public Notice sets for the procedure that the Bureau and the Commission will follow after receiving input from public on January 22, 1999. Specifically, the Bureau will evaluate the questions and issues from the public and develop a consolidated list of questions to send to Lockheed Martin. The Bureau's review of the input received from the public will be intended to avoid duplication of questions/issues and to ensure that the questions/issues are relevant to the subject matter underlying Lockheed Martin's request. This review also is intended to ensure that the Bureau does not impose an undue burden on Lockheed Martin in requesting that Lockheed Martin respond to this list of issues/questions. Lockheed Martin will be required to respond to the list sent by the Bureau within 15 days.

Ms. Monteith explained that the FCC then will issue a second Public Notice seeking comments on Lockheed Martin's responses and, generally, on Lockheed Martin's December 21, 1998 filing. Those comments will be due on March 17, 1999.

Ms. Monteith then explained that the Public Notice recognizes Mitretek as the alternate NANPA. For this reason, the Bureau also seeks input from the public on questions and issues that should be directed to Mitretek. That public input also is due on January 22, 1998, and the Bureau will use the same procedures -- that is reviewing the questions/issues for duplication and relevance, and permitting Mitretek to respond within 15 days after receipt of the Bureau's questions. Public input directed to Mitretek's responses to questions and on the issue of Mitretek's standing and status overall will be due by March 17, 1999.

Ms. Monteith reviewed the letter from Yog R. Varma, Deputy Chief, Common Carrier Bureau, to Al Hasselwander, Chair, NANC. Ms. Monteith stated that the Bureau recognized in the letter that NANC's input on these questions is important. The Bureau has requested the NANC's input on issues/questions that should be directed to Lockheed Martin and to Mitretek as the Commission moves forward on Lockheed Martin's request by January 22, 1999. Ms. Monteith stated that the Bureau also would greatly appreciate NANC's recommendation and input on Lockheed Martin's December 21, 1998, filing by March 17, 1999. Finally, Ms. Monteith stated that the Bureau hopes that the procedure the Bureau has adopted in this proceeding will be a very helpful procedure and will assist in ensuring the appropriate decision by the Commission. Ms. Monteith then asked for questions.

Bruce Armstrong, NARUC, noted with regard to Mitretek versus CIS/Warburg Pincus, that the other piece to consider is the LNPA function, now performed by Lockheed Martin. Mr. Armstrong questioned what will happen to the LNPA piece if Mitretek becomes the NANPA. Ms. Monteith responded that Mitretek is only designated as the alternate for the NANPA function; however, the Bureau does seek comment on the interplay between the two functions.

Bernie Harris, GTE, asked for clarification on whether the FCC is just asking for questions at this point, and not a recommendation, as of yet. Ms. Monteith responded affirmatively, noting that the Bureau has adopted a two step process, intended to gather all the facts necessary to conduct a full review before the FCC.

Chairman Hasselwander stated that March 17 is the second day of the March NANC meeting. Chairman Hasselwander suggested that, at this meeting today, the NANC might consider asking for volunteer issue managers -- it might be useful to select two or three -- who could move the issues forward.

Bernie Harris, GTE, questioned whether the FCC has considered the neutrality rules as static and whether the NANC should look at the Lockheed Martin proposal under the existing rules. Ms. Monteith stated that the FCC rules on neutrality should be considered as a benchmark; the FCC does not want to discourage comments or suggestions for rules to be changed or modified. The FCC would not preclude changing the guidelines or the criteria if necessary. Dan Hochvert, Bell Atlantic, expressed the view that the NANC could go very far afield if it is allowed to modify neutrality conditions. He asked that Ms. Monteith put in perspective what changes might be appropriate. Ms. Monteith confirmed that the FCC also does not want the NANC to start from scratch on the neutrality criteria that were established a year or so ago. Ms. Monteith clarified that the FCC simply does not want to preclude comment on any issues. Ms. Monteith also noted that the deadline set for the development of issues/questions is a tight one and, accordingly, would not permit the revisiting of the neutrality criteria in a very detailed way. Chairman Hasselwander stated that, in his opinion, if the NANC wanted to revisit neutrality, it would need a very substantive reason for doing so. Ms. Monteith also noted that if the NANC believes changes in the neutrality criteria are warranted, that might be the type of comment best made in the context of the NANC's recommendation on the Lockheed Martin filing and Mitretek's status overall.

Ron Binz noted he had received Mr. Varma's letter to NANC and asked Ms. Monteith to explain the link between input that will be received over the next two weeks and the subsequent review of the Lockheed Martin application. Ms. Monteith explained that the procedure in the Public Notice looks for issues and questions by January 22, both from the public in general and from the NANC. This input from the public and the NANC will be evaluated by the Bureau for appropriate relevance and to ensure no duplication of issues/questions. Ms. Monteith stated that the procedure is a quasi-discovery type of procedure. The Bureau then will develop a list of questions/issues that will be sent to Lockheed Martin and a separate list of question/issues to be sent to Mitretek. Lockheed Martin and Mitretek will be expected to respond to the issues/questions within 15 days of receipt of list from the Bureau. The Bureau then will issue a second Public Notice in which it requests comments on the Lockheed Martin and the Mitretek responses, as well as on the Lockheed Martin filing in general.

Beth O'Donnell asked whether the FCC is concerned over the change in NANPA before the end of the five year term. Ms. Monteith noted that the FCC is concerned about that issue and stated that the Bureau wants the benefit of the industry's thoughts and concerns on that issue. Ed Gould, AT&T, remarked that other issues are present in considering the LNPA function and the

LLCs. Chairman Hasselwander added that he presumed that comments and questions are not restricted to NANPA or to NPAC administration. Ms. Monteith responded that the Public Notice seeks comment on the impact of the transfer of the NANPA function on the LNPA/LLCs. Anne La Lena, MCI WorldCom, added that the LLCs hold the NPAC contracts and that those contract include language on neutrality. She confirmed that the LLCs have a definite role to play in considering the LNPA.

Bruce Armstrong, NARUC, asked if the January 22 questions to Mitretek will address the issue of "default" and whether the FCC will decide the legal issue of whether a "default" has occurred. Ms. Monteith confirmed that the FCC will address the question of default when it evaluates the Lockheed Martin filing.

Bill Adair, SBC, questioned whether the public notice addresses the ongoing CO Code Administration transition and whether that will continue during this evaluation period. Ms. Monteith responded that the FCC expects no disruption whatsoever to transition schedules.

Lockheed Martin Presentation. Chairman Hasselwander provided a contribution, by email, to NANC members and other concerned parties as background prior to this meeting. The contribution suggests issues and questions that could be directed to Lockheed Martin and to Mitretek.

Jeff Ganek, Lockheed Martin, made the Lockheed Martin statement to the NANC. Mr. Ganek stated that Warburg, Pincus (Warburg), as an investment source, does not have the same neutrality concerns as an operating company such as Lockheed Martin's CIS unit. Mr. Ganek noted that representatives of Warburg were on the call, would join the discussion and would describe Warburg's aims. Mr. Ganek first addressed the question of why Lockheed Martin had chosen Warburg -- because it is a stable financial source and is known as a long term investor of companies.

Henry Kressel, Warburg, stated that Warburg's intent of investing in CIS is based on finding interesting enterprises and emphasized that Warburg is not an operating company, only an investor. From the private entity side, Warburg invests in organizations; it helps and supports management teams implement strategic plans which have been approved by Warburg. Mr. Kressel stated that Warburg builds businesses to provide a good return on its equity fund. Mr. Kressel also stated that, on average, Warburg invests for a long period -- 10 years or so -- and that it stays with investments. Further, Warburg participates as a member of the Board of Directors only; the operating companies are managed by the management team, like Jeff Ganek in the case of CIS. Mr. Kressel stated that Warburg has a very long term outlook, long-term expectations for a successful business for its customers and fully supports what the management has presented.

Mr. Ganek stated that neutrality is a prime concern for CIS and Warburg. He noted that Warburg has de minimus investments in telecommunication entities at this point. However, because neutrality is of great importance, Lockheed Martin and Warburg are committed to a code of

conduct to ensure neutrality is maintained. Mr. Ganek stated that the new entity will maintain the confidentiality of all data, will ensure that all service providers are treated equally and will ensure that no Lockheed or Warburg affiliate is treated more favorably. Mr. Ganek also noted that CIS and Warburg have committed to quarterly neutrality audits to be conducted at CIS expense by a neutral fourth party entity. As a result of their significant financial support and dependence on CIS for management, Mr. Ganek expressed the view that Lockheed Martin believes Warburg is well-suited to oversee the CIS unit as an investment.

Mr. Ganek then noted that concern has been expressed about the 5% interest in CIS that will be retained by Lockheed Martin. Mr. Ganek stated that Lockheed Martin is committed to the CIS unit and has committed its own capital to the restructuring. Although Lockheed Martin recognizes that neutrality must be maintained, Lockheed Martin believes it can hold up to a 5% stake without violating the neutrality criteria. Mr. Ganek noted that Lockheed Martin will not be on the Board, nor will it have any authority or influence on the direction of CIS. Mr. Ganek stated that the NANPA is a critical operation -- and Lockheed Martin is committed to a seamless transition and will deliver the same services with the staff. Staff such as Chris Rowe, Joe Franlin, Mark Foster, Jeff Ganek and other staff and technical support will join the new CIS. For the industry, Mr. Ganek stated that this means there will be no changes in terms or conditions or price with either NPAC or NANPA functions; Warburg commits to the same terms and conditions that Lockheed Martin is operating under.

Mr. Ganek stated that the new CIS unit believes it has the resources available to grow as required. He also stated that Warburg will have as much, if not more, cash resources available to devote to the new CIS. Mr. Ganek noted that Warburg is in the business to support its long term investment; it has 6 billion in equity investments, plus a new fund of 5 billion for new companies. Mr. Kressel stated that Warburg holds investments for many years and noted that Warburg's 10-15 year investment horizon is longer than the CIS contract to provide NANPA. Finally, Mr. Ganek indicated that Lockheed Martin, Warburg, and CIS are committed to working with the NANC and the industry on the acceptance of the restructured CIS unit.

Chairman Hasselwander opened the discussion to questions from NANC members, stating that it is important to ask clarifying questions for next several minutes. Ron Havens, Sprint, questioned the length of Warburg's investment in the CIS unit. Mr. Kressel stated that 5-7 years is the average holding period for Warburg but the period of investment in other cases has exceeded 10 years. While lots of investment firms invest for a period of months rather than years, Warburg is not in that category.

Bill Adair, SBC, questioned what would happen if the investment "went south" given that the investment is made for profit. He also asked about the breadth of activities, and whether management has flexibility to modify those activities in the future. Joe Landy responded they are driven by the market and that they do not manage these companies. He noted that Warburg asks question on the operations of the company, but it does not participate in the management of the company. He stated that if the investment "went south," the Board would be very interested in why. For example, is the market developing fast enough or is the corporation poorly managed.

Joe Landy stated that there are a variety of things that Warburg might do, but no specific answers that he can give at this point. He also noted that the Board maintains the flexibility to modify the business, but it relies on business experts to advise it. Mr. Kressel added that the Board of Directors has the obligation to meet the needs of customers.

Cathy Handley, PCIA, asked who will be on the Board and how Warburg intends to establish the board. Henry responded that the Board would consist of the CEO of CIS, Jeff Ganek, Warburg representatives, and experts with an independent point of view on the operations of the business to get a thorough calibration of the investment. The criteria for a Board members would be a strong knowledge and expertise. Ms. Handley further asked whether this would include telecommunications industry experts in local number portability, anyone from the LLCs or any individuals with numbering backgrounds. Mr. Kressel responded that it depends on what is needed, adding that it could be a technical expert but it could not be non-neutral external business person who offers an independent view.

Dan Hochvert, Bell Atlantic, questioned the commitment of Warburg to the fulfilling the remainder of the four year NANPA term. Mr. Ganek stated that the commitment of CIS, as a free standing independent entity, is to provide neutral third party services for the life of the contact with the LLCs and NANPA pursuant to the FCC's orders. The CIS is fully committed to doing that. Mr. Ganek indicated that the CIS is currently operating in a profitable mode. He also stated that Warburg is the financing source for this free standing company - because of its 40 year history of relying on management teams to deliver services. Mr. Hochvert repeated his question - will Warburg be committed to stay with the NANPA function for the balance of the contract. Joe Landy responded that Warburg would be very disappointed in it could not stay with the contract but added that no one can predict what will happen. Mr. Ganek added that Lockheed Martin had spoken with many potential acquirers; in his view, Warburg's record and commitment to this kind of corporation, and the proposed CIS structure, is as stable and reliable as any available in the market place today.

Trent Boaldin, OPASTCO, inquired about the source of funds of Warburg, specifically whether any pension funds possibly from telecommunications companies might be at issue. Joe responded that there are none that are in excess of 2.5% of the total fund. He also noted that the partnership is controlled by the general partners and the limited partners are Warburg Pincus Equity Partners, Ltd. He stated that Warburg does not manage a telecommunications fund. Instead, Warburg markets and distributes services for the funds; no management activity is involved.

Lisa Sarno, AMSC, asked about the size of the Warburg telecommunications fund. Mr. Kressel responded that it was less than a \$10 million fund, which was started in the Fall of 1998. He opined that the fund is extremely small and the value is low. Peter Guggina, MCI WorldCom, asked about the total value of the Warburg "war chest." Henry stated it is \$6 billion in funds fully invested. The \$5 billion fund, out of which CIS is funded, has minimal telecommunications-related investments, less than 5% of total. Brent Struthers, Illinois Commerce Commission, asked about the extent of Warburg's activity in the new telecommunications fund and the future

relationship. Mr. Kressel stated that, as fund manager, Warburg prints brochures and distributes them; functionally, it has offered nothing more than credit services.

Peter Guggina, MCI WorldCom, questioned whether Warburg has other plans to expand into third party services in the telecommunications industry. Mr. Kressel stated there are no plans at this time. Moreover, he stated that if an opportunity exists at some point in the future, Warburg will be guided by the neutrality provisions, the "Code of Conduct" and the quarterly neutrality audits of CIS.

Richard Bartel, Communications Ventures, asked if this is a Delaware limited partnership. Mr. Kressel responded affirmatively. He indicated that the general partner, Warburg, Pincus and Company, is registered in New York.

Mr. Ganek stated that CIS Business unit will be managed and directed by the current employees of CIS; additional employees will be recruited from the telecommunications industry, as needed. Mr. Ganek stated that there will be no cross-over of CIS employees to Warburg. Joe Landy stated that if Warburg attempted to do that, Warburg would have a quite a problem with Jeff Ganek. Jerry O'Brien, Omnipoint, asked if there is no objection, whether CIS could include a statement to that effect. Mr. Ganek indicated that if that level of comfort is needed, Lockheed Martin would do so.

Chairman Hasselwander asked Mr. Ganek the extent to which CIS had relied on Lockheed Martin, outside of CIS, for technical support, for the creation of software, for hardware, or for consultation on technical issues. Mr. Ganek stated that all of the staff, facilities and capabilities, that have made a material contribution to the development of the NANPA and NPAC have always been in the CIS unit; no material contributions were made by Lockheed Martin staff outside of the CIS unit. He indicated that all technical capabilities on LNP, industry standards, the development of SMS, interface testing and on inter-operability were performed by CIS employees. He did indicate that CIS had gone outside into the market place for technical support when and where needed. Mr. Ganek indicated that the CIS unit had performed on time, on specification and on budget over the last two years.

There being no further questions, Chairman Hasselwander thanked Mr. Ganek and the Warburg representatives for their participation.

Mitretek Presentation. Chairman Hasselwander introduced Dr. Gilbert Miller, Mitretek Systems, and David Weitzel and John Logan, Wallman Consultants.

Dr. Miller stated he last addressed the NANC in May 1997, when it decided in favor of Lockheed Martin as the NANPA because of its lower price. Dr. Miller indicated that, at that time, adequate staffing was a concern of Mitretek. Early on in the process, Mitretek also raised concerns about Lockheed Martin's neutrality because of its interest in satellite systems. Dr. Miller indicated, however, that the FCC found those interests to be *de minimis*. The FCC accepted the NANC's recommendation to the Commission that Lockheed Martin be selected as the NANPA. Dr. Miller

stated that Mitretek, however, has indicated to the FCC and to the NANC Chair, that is willing and capable of filling its role as alternate NANPA.

Dr. Miller indicated that Mitretek's proposal remains unchanged. He stated that the May 1997 proposal was a substantive one, and that the NANC Evaluation Team had given the proposal high marks. Dr. Miller characterized Mitretek as the single non-government entity capable of providing neutral numbering administration. Dr. Miller indicated that Mitretek's corporate characteristics remain unchanged -- it is a science and technology company, privately held with no stock, held in trust by a board of national trustees, with no affiliation with any telecommunications providers. Dr. Miller stated that Mitretek has an in-depth understanding of INC guidelines.

Dr. Miller stated that Mitretek's proposal proposed centralized databases and defined a transition plan with specific details. He stated that the transition plan remains unchanged at this time; however, Mitretek plans to transition in less than half the time, that is, in 9 rather than 18 months. With respect to Mitretek's staff, Dr. Miller indicated that some of the Mitretek team remains in place in McLean today and that Mitretek has initiated discussion with members previously asked during the development of its original bid. He indicated that a limited number of numbering experts exist.

On the issue of price, Dr. Miller acknowledged that Mitretek's price was twice as high as Lockheed Martin's. Dr. Miller stated, however, that the level of effort was dramatically different. Since that time, the staffing and price exceeded the 120% level at which additional fees are allowed.

With respect to the price for CO Code Administration and NPA Relief Planning, Thousands Block Pooling and the upgraded CO Code Survey, Dr. Miller indicated that the staff level proposed in its bid is now comparable to Lockheed Martin's current staff level, rather than the staff level proposed in Lockheed Martin's bid. Dr. Miller indicated that Mitretek did not see any increase in costs over its original proposal. Dr. Miller also noted that currently NPA relief planning is at 68, where as Lockheed Martin had projected between 30-40 and Mitretek estimated 62-78 codes. Dr. Miller indicated that Mitretek is willing to compare the price it bid against Lockheed Martin's price with the additional staffing and code increases, as compared to its bid price. Regarding thousands block pooling administration, which was included in the Mitretek proposal, Dr. Miller indicated that Mitretek would be willing to back that cost out of its 1997 bid, if NANC so desires.

Cathy Handley, PCIA, asked if Dr. Miller's statement could be made available to the NANC. Dr. Miller indicated that a soft copy of the statement would be provided to the Council after the close of the meeting. Paul Hart, USTA, stated that it would be helpful to know what specific COCUS activities were included in Mitretek's bid. Dr. Miller stated that he could provide that information. With respect to CO Code Administration and NPA Relief Planning, Jerry O'Brien, Omnipoint, questioned if such extraordinary functions, such as the court reporter requirement in California, had been included in Mitretek's original bid. Dr. Miller confirmed that it was included in Mitretek original bid.

Beth O'Donnell, NCTA, questioned whether this would be an award of the Mitretek bid or transfer of the contract and terms of the Lockheed Martin bid. Dr. Miller stated Mitretek is offering services in accordance with its May 1997 proposal -- all functions at the price it had bid. He stated, however, that if the NANC wanted Mitretek to back out functionalities from the bid, such as upgrades to the COCUS and thousands block pooling administration, Mitretek would do that. Andrea Cooper, AirTouch, questioned whether Mitretek is interested in the LNPA/LLC portion of the numbering matters. Dr. Miller stated that Mitretek is only interested in the NANPA portion; otherwise, Mitretek would have vertical monopoly concerns. Shawn Murphy, AT&T, asked whether Mitretek's bid included administrative design, labor and systems development. Dr. Miller indicated that the bid included all aspects. Mr. Murphy as if Warburg would be interested in only LLC portion of the numbering matters. Mr. Ganek stated that Lockheed Martin would not be interested in separating the functions.

NANPA Oversight Working Group Report. Chairman Hasselwander stated that Andrea Cooper would provide the report, and then the NANC should consider the formation of issue teams. He indicated that the Working Group has a list of questions that it developed at its recent meeting. The NANC also should consider providing direction to the NANPA OS WG on whether to focus its attention on the annual review of the NANPA's performance. Chairman Hasselwander stated that he believed it would be appropriate to focus attention in parallel with the matter of the neutrality of Lockheed Martin and its request to transfer the CIS unit.

Ms. Cooper provided a position statement and a list of 12 questions formulated by the NANPA OS WG. (See NANPA OS WG Handout for list of 12 questions). Ms. Cooper read the following position statement:

"NANPA Oversight does not believe it is in the purview of this working group to address any of the legal issues associated with the CIS divestiture proposal; in particular, the interpretation of the FCC order relative to the Mitretek issue.

NANPA Oversight believes we can provide input to the NANC regarding neutrality, competency, performance stability and financial viability of the NANPA at CIS/Warburg.

The NANPA Oversight WG recommends that CIS/Warburg respond to the relevant sections of the original NANC NANPA Requirements Document dated 2-20-97.

Ms. Cooper stated that the NANPA incumbent should be subject to an annual review as required by *Third Report and Order*, CC Docket 92-237. The NANPA OS WG goal is to complete the compliance matrix by January 11; the NANPA OS WG's current meeting agenda sets Friday as the date on which it will discuss the compliance matrix, with the proposed work plan to be presented to the NANC by its January 19-20 meeting.

Chairman Hasselwander asked whether NANC members had any comments or discussion regarding the position statement, specifically what role does the NANC expect the NANPA OS

WG to perform. He asked whether the NANC concurs in the position statements above. No NANC members expressed differing views.

Peter Guggina, MCI WorldCom, added that the changes to Mitretek's original proposal, based on Dr. Miller's statement today, should be evaluated by the NANPA OS WG. Shawn Murphy, AT&T, asked Lockheed Martin if the FCC gave the NANPA function to Mitretek, as alternate, how the LNP function would be handled. Mr. Ganek stated that Lockheed Martin thinks in terms of the totality of the numbering functions -- that is, that LNP and NANPA go together.

Proposal: Chairman Hasselwander proposed that the NANPA OS WG questions presented should be taken as material for the NANC's consideration and, if the NANC agrees, given to an issue management group. Additionally, the NANC should direct the NANPA OS WG to now focus on the annual review of Lockheed Martin's performance. The NANC unanimously agreed to adopt this proposal.

Chairman Hasselwander, noting the short time period for the NANC's recommendation to the FCC and the deadline for public input, January 22 and March 17, respectively, the Chairman stated that he is looking for volunteers -- individuals who will put an issue paper together of appropriate questions for the NANC's January meeting and, subsequently, consider what recommendation would be appropriate to make to the FCC. This group would be focusing and gathering whatever information is necessary for consideration by the NANC at its January meeting.

In response to Chairman Hasselwander's proposal, an issue management team was formed, consisting of Dan Hochvert, Bell Atlantic; Ron Havens, Sprint; Bill Adair, SBC; Beth O'Donnell, NCTA;, and Peter Guggina, MCI WorldCom. The Issue Management Team will provide the NANC with materials for review and consideration (electronically) at least 48 hours in advance of the NANC's January 19-20 meeting. Bernie Harris, GTE, requested information from the Issue Management Team on how individual NANC members could participate by providing input and ideas. Chairman Hasselwander requested that the Issue Management Team organize and advise the NANC as soon as possible on how input from the NANC members can be provided to the Team. Peter Guggina, MCI WorldCom, agreed to set up the initial conference call.

Chairman Hasselwander asked whether there were any other issues concerning the CIS proposal. Peter Guggina, MCI WorldCom, asked whether the sale of CIS constitutes a "default" under the Requirements Document" and whether the FCC's rules had been violated. Mr. Guggina suggested that this is a legal issue not to be addressed by the Issue Management Team and suggested that it avoid any such tangential issues, if possible. Dan Hochvert, Bell Atlantic, agreed with the statement.

Chairman Hasselwander stated that as an outcome, the NANC wants a NANPA and LNP process to proceed seamlessly and economically and to ensure the neutrality of the NANPA. As far as legal questions, Chairman Hasselwander indicated that the NANC is not in a position to deal with it at this time. Cathy Handley, PCIA, also agreed that the legal should come from the FCC. Kris

Monteith, FCC, stated she believed that the best use of NANC resources would be to address the issues in public notice and the letter from Yog Varma to Chairman Hasselwander. Ms. Monteith suggested that the NANC not look at the legal issues at this time.

Chairman Hasselwander urged the Issue Management Team to look at the Public Notice for guidance. Peter Guggina, MCI WorldCom, added that it would be helpful not to look at the core issues at this time -- but rather to focus on the development of issues and questions as requested by the Bureau and the Commission.

There being no further business, Chairman Hasselwander thanked all of the parties to the call and adjourned the meeting. In closing, Chairman Hasselwander indicated that the NANC members would have an opportunity to make input into this process and would receive materials in advance of the January 19-20, 1999, face-to-face meeting, to be held at the FCC, 1919 M Street, Room 856.

Apologies were extended to the Canadian participants for the conference bridge difficulty.

VI. Action Items and Decisions Reached.

1. An Issue Management Team was formed, comprised of Dan Hochvert, Bill Adair, Beth O'Donnell, Peter Guggina and Ron Havens. The Team will review the FCC Public Notice, consider the questions presented by the NANPA Oversight Working Group and draft and distribute a document for consideration by the full NANC 48 hours prior to the NANC January 19-20, 1999 meeting. The proposed list will consist of questions/issues to be provided to the Chief, Common Carrier Bureau, in response to the letter from Yog R. Varma, Deputy Chief, Common Carrier Bureau, dated January 7, 1999. Peter Guggina will organize the initial conference call of the Team and will notify the full NANC on how it may provide input to the Team on the issues.
2. The NANPA Oversight Working Group will focus on the completion of the compliance matrix for use in the annual review of the NANPA. A report on the work plan will be provided at the January 19-20, NANC meeting.