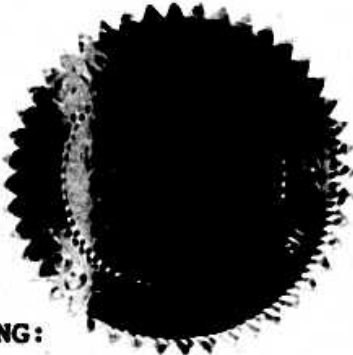


BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
TALLAHASSEE, FLORIDA

IN RE: Petition for number plan area relief for 904 area
code, by BellSouth Telecommunications.

DOCKET NO. 961153-TL

BEFORE:



CHAIRMAN JULIA L. JOHNSON
COMMISSIONER J. TERRY DEASON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER DIANE K. KIESLING
COMMISSIONER JOE GARCIA

PROCEEDING:

AGENDA CONFERENCE

ITEM NUMBER:

17

DATE:

January 21, 1997

PLACE:

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Tallahassee, Florida

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CHAIRMAN JOHNSON: Item 17.

MR. TAYLOR: Commissioners, in this recommendation staff has proposed that the area code from the eastern boundary of Madison and Taylor County become 850. Based on the evidence and testimony at the hearing, we believe that the 904 area code split should occur at that point, that it affects the least number of subscribers, and would involve the least amount of cost if it is done there.

CHAIRMAN JOHNSON: Any questions?

COMMISSIONER GARCIA: Just to, I guess, get the discussion moving, I'm going to move staff on this.

COMMISSIONER CLARK: Second.

CHAIRMAN JOHNSON: There has been a motion and a second. Is there any discussion?

COMMISSIONER DEASON: Yes, I have a question. And it pertains to Option 4, and the discussion pretty much indicates that there wasn't a lot of support until after the hearing and that at least two parties supported Option 4 in their briefs. And it seems that was pretty much the extent of the discussion. I want to know why in staff's opinion Option 4 is not a preferred option.

MR. TAYLOR: Well, the criteria used is really the

1 number of people affected by the change and the
2 relative cost, and I think that Option 4, the relief
3 involved, it would involve a -- let me check that. I
4 believe it involves two area codes, is that right?

5 COMMISSIONER DEASON: That's correct.

6 MR. TAYLOR: Okay. I think that was disregarded
7 because, first of all, we were not sure that we could
8 get the second area code, and that the area code relief
9 involved would last for an extended period of time
10 longer than necessary.

11 COMMISSIONER DEASON: Let me ask you about that
12 concern, the latter concern you just mentioned. Under
13 staff's primary recommendation, that being leaving 904
14 with Jacksonville and Daytona, what is the anticipated
15 exhaust date under that scenario for the
16 Jacksonville/Daytona LATA?

17 MR. PELLEGRINI: 2002, Commissioner.

18 COMMISSIONER DEASON: Okay, 2002. So, in 2002,
19 which is not very many years from now, we are going to
20 be faced with the dilemma of what do we do again for
21 that section of the state when we are going to have
22 another exhaust. And that is primarily due to the
23 large population there presently and the fact that
24 there is high growth in that area. If we maintain what
25 seems to be a basis for the recommendation here, which

1 all parties agreed to, and that is you do not cross
2 over LATA boundaries when assigning area codes, the
3 only option we are going to have in 2002 is to then
4 give either Jacksonville or Daytona a new area code.
5 So, your complaint, or your criticism of Option 4 is
6 that you are going to be giving a new area code to
7 Daytona and it is going to have a long exhaust date.
8 Well, the reality of it is in the year 2002 the most
9 realistic option which faces us now, which we don't
10 know what is going to happen in 2002, but if you apply
11 these same criteria, it's going to be give Daytona a
12 new area code then. And it's going to have a long
13 exhaust date then. And my question is while we are
14 doing this why don't we go ahead and recognize the
15 inevitable, give Jacksonville a new area code, give
16 Daytona a new area code, and leave the other portion of
17 the state as is with the 904.

18 MR. TAYLOR: Commissioner, I believe that, first
19 of all, the guidelines which we have tried to follow
20 the existing guidelines for area code assignment, does
21 not allow to anticipate that. I mean, there are other
22 options, another option perhaps for the
23 Daytona/Jacksonville split, and that might be an
24 overlay. So it's not necessarily so that a geographic
25 split is the only thing that can occur in the future.

1 What we tried to do was keep in mind the guidelines
2 that the area codes have been assigned under for years
3 and years. And we believe this recommendation before
4 you is the best way.

5 COMMISSIONER DEASON: Is it true that Alternative
6 4 has got the longest exhaust dates of any of the
7 options, generally?

8 MR. TAYLOR: I will have to --

9 MR. PELLEGRINI: No, Option 3 has perhaps the
10 longest, but we are talking about 2033 and 2030, still
11 very long exhaust periods.

12 CHAIRMAN JOHNSON: But with Option 4, Jacksonville
13 would have about an eight or nine year exhaust, Daytona
14 would have about a 30-plus exhaust, and Tallahassee,
15 Pensacola, and Panama City would have an eight to nine
16 year exhaust. So in terms of kind of an equitable
17 distribution with long exhaust dates, Option 4 would
18 probably be the maximum there. What is the problem
19 with Daytona having 30 plus years exhaust? Why is that
20 problematic under the guidelines?

21 MR. TAYLOR: Well, basically, we are trying to
22 conserve area codes. We have to remember that. And
23 there is no guarantee that we could get the second area
24 code to do what we are talking about here.

25 CHAIRMAN JOHNSON: How long would it take us --

1 and I don't remember reading that in here, I wasn't
2 aware that that was a problem, but how long would it
3 take us to find out whether or not we could get another
4 area code?

5 COMMISSION STAFF: Commissioners, I think if you
6 order the numbering administrator or the area code
7 administrator to implement three codes they will give
8 you the codes.

9 COMMISSIONER KIESLING: And that was the testimony
10 in the record from the hearing, was that while they
11 don't ordinarily do it, they have never turned down the
12 Commission when they have asked for it, either. I
13 mean, they may not do it on their own, but if we want
14 it they are going to do it. That was the testimony.

15 COMMISSION STAFF: If the industry had come to
16 them and said we want to do this three-way split, they
17 would have probably said no. If the Commission orders
18 it, I think they would give you the codes.

19 COMMISSIONER CLARK: Let me just ask staff and
20 maybe Commissioner Kiesling. I didn't remember it as
21 being that clear. I thought they indicated that had
22 never come up.

23 MR. GREER: I think BellSouth essentially tried to
24 make the point that although the Commission would order
25 it, the code administrator may or may not give you the

1 code.

2 COMMISSIONER CLARK: Right. It wasn't clear what
3 would prevail, is that right?

4 MR. GREER: Right. I think the guidelines
5 essentially give the states final say so over the area
6 codes. Not necessarily the guidelines, but the FCC's
7 orders and the guidelines essentially give the states
8 final say so over the area codes.

9 COMMISSIONER KIESLING: And I recall I asked the
10 witness the question, you know, do you have any reason
11 to think that if we order it that they will deny us
12 that area code, and they said no. That it had not
13 happened before, but they did not have any reason to
14 believe they would deny us if we wanted two.

15 COMMISSIONER DEASON: Well, part of the concern I
16 have, as I raised earlier, and I do believe that that
17 was the question asked and that was the response. In
18 the year 2002, assuming we don't go to an overlay which
19 we have never done before, we attempted to do and we
20 did not do that, the only option in 2002 is going --
21 assuming we go again with LATA boundaries, is Daytona
22 is going to have its own area code at that point. And
23 we are going to be dealing with this issue all over
24 again in just a few years. Whereas under Option 4, we
25 are not going to have to deal with the issue again for

1 at least until, what is it, eight years, nine years?

2 COMMISSIONER KIESLING: Nine; 2006.

3 COMMISSIONER DEASON: Which to me is much more
4 attractive, and I think it is in the better interest of
5 the telephone consumers of this state.

6 COMMISSIONER CLARK: I would just point out two
7 things in response to that. It's not at all clear that
8 we will have to make the decision. That this is only
9 the second area code decision that has come before us.
10 There is a possibility that the parties will agree.
11 And with respect to LATA boundaries, let me ask staff,
12 will LATA boundaries continue to be relevant if
13 BellSouth is allowed to compete in the long distance,
14 interLATA long distance market?

15 MR. GREER: I think pretty much the LATA
16 boundaries -- right now at the federal level there is a
17 question of what to do with the LATA boundaries, and
18 you're probably right, that as competition develops as
19 BellSouth gets into interLATA then the LATA boundaries
20 may not be the boundaries that people use in the
21 future. There is a couple of concerns for me as far as
22 implementing three area codes. There is a lot of stuff
23 uncertain right now. There is a new administrator
24 coming into play, CO codes are going to be transitioned
25 to the federal level, there is new competition that we

1 don't know exactly how it's going to grow, what is
2 going to be their local and toll dialing areas, and
3 that is going to cause a problem, I think. So, there
4 is a lot of uncertainties right now as far as I can
5 see.

6 COMMISSIONER DEASON: Well, I agree there is
7 uncertainty. It seems to me that uncertainty would
8 lead you to think that if anything the utilization of
9 telephone numbers is going to accelerate and we are
10 going to have more rapid exhaust dates than we are even
11 predicting now. And that we need to look to a plan
12 that is going to give us the most amount of time before
13 we can reach our next exhaust date.

14 MR. GREER: And I would agree. And I think -- not
15 speaking for the industry, I have a feeling that they
16 may propose an overlay if and when this next relief
17 time comes up. And that could be an option that I
18 don't know if we want to preclude.

19 COMMISSIONER DEASON: Well, I'm not precluding
20 anything at this point. But we do know that under
21 staff's recommended Option 1 we are going to have to be
22 dealing with this issue again, and it may be the
23 industry dealing with it, but nevertheless it is going
24 to have to be dealt with for a 2002 exhaust date, which
25 is not that far away.

1 MR. GREER: And more than likely it will probably
2 be in a couple of years.

3 COMMISSIONER GARCIA: Commissioners, I would like
4 to add two points. While I agree with Commissioner
5 Clark that we may have to deal with this again, I think
6 it is important to look at the precedent with
7 Commissioner Deason that we may have to deal with this
8 again. I think it's important to look at the precedent
9 we are going to set here. Every time you change area
10 codes it is something that is uncomfortable, that it
11 costs the business community dollars. In this case
12 it's going to cost all of us dollars, because it's
13 going to cost the government dollars to change area
14 codes if we go with the primary recommendation. That
15 said, I think it is also important that we realize the
16 changing nature of the industry and the fact that part
17 of the criterion here is not to have numbers that go
18 way out there. I think if we were to approve Option 4,
19 I think we would find ourselves in a position that it
20 would be difficult to deny anyone that asked for a
21 separate area code because they wanted to have it for a
22 long period of time. It would be difficult to say,
23 "Well, you can't have it." I mean, the rationale,
24 while I understand it, Commissioner Deason, also we
25 have to look at directly who we affect and how we

1 affect it. And we, in essence, do not affect the
2 Jacksonville people with this addition today. We
3 simply leave them where they are, and they will be
4 affected for the first time in 2002. And by then I
5 would have to agree with Commissioner Clark, that I
6 think the effect of these boundaries are going to be
7 substantially different in a competitive ambit.

8 COMMISSIONER DEASON: Well, let me say that you
9 are correct, you are not affecting the Jacksonville
10 people until the year 2002, but you are affecting
11 Pensacola, Panama City, and Tallahassee. Someone is
12 going to be affected, and to me the issue is not what
13 is it that we do to protect Jacksonville, the issue is
14 what do we do to implement a plan which is best for all
15 the telephone consumers in all five of these LATAs.

16 COMMISSIONER GARCIA: I agree with you. I don't
17 have a disagreement, yet with that argument I still
18 stay on the primary rec, because I believe that
19 essentially it follows the norm of the decisions that
20 we have made in the past, and I don't want to find
21 myself in this spot. Because clearly Florida is an
22 attractive place to live, it's a growing part of the
23 country, and we are going -- we probably will find
24 ourselves in this same area in less than a year, year
25 and a half probably with Dade County. And judging by

1 Dade County's growth, I can see people asking for four
2 area codes to geographically distinguish themselves and
3 have a long lasting area code.

4 COMMISSIONER DEASON: Well, I'm not disagreeing,
5 that could happen. But my experience has been that,
6 first of all, people don't ask to have the area codes
7 changed. They are the very opposite. They do not want
8 to have them changed. And, if anything, nobody wants
9 their own little distinct area code, they want to be
10 part of the larger area. And it seems to me that that
11 is part of the problem. We are painting ourselves into
12 a corner by staff's primary recommendation in that by
13 the year 2002 we are either going to have to do an
14 overlay, which we have never done before and there are
15 numerous problems with that as we are all aware from
16 the last time that we addressed an overlay proposal.
17 The other alternative is if you are not going to abide
18 by LATA boundaries, you are going to be taking part of
19 what is now the Jacksonville LATA, putting it into the
20 Daytona LATA, and I can hear now the people that are on
21 the south side of Jacksonville saying, "We don't want
22 that. We want to be identified with the greater
23 Jacksonville area. That's our commerce, that is our
24 identity, that's our community of interest. While we
25 certainly like to get along with our neighbor to the

1 south in Daytona, we just don't want to be configured
2 as part of the Daytona community of interest." And we
3 are going to be faced with that issue.

4 CHAIRMAN JOHNSON: Looking at Option 4, Stan, you
5 stated that you had some particular concerns with
6 Option 4. But most of the issues that you articulated,
7 how are they unique to Option 4 and you wouldn't have
8 those same concerns under Option 1? You are still
9 going to have a new area code, you are still going to
10 have some of the same issues that you raised. They are
11 inherent within any of these changes, are they not?

12 MR. GREER: You're right, they are. But my
13 concern is implementing a new area code in Daytona
14 Beach, right now when I'm really not real comfortable
15 with the thought of transferring CO codes from our
16 current incumbent LECs to a third-party administrator
17 that is going to administer them for the entire
18 country. I have serious concerns with that. In that
19 area there is a lot of dialing across interLATA
20 boundaries and there is a lot of concern to me until
21 I'm comfortable that the new administrator can handle
22 that function. That's one of my concerns. But, you're
23 right, there is no difference, those concerns are
24 throughout all of the plans.

25 CHAIRMAN JOHNSON: And with respect to Option 4,

1 you have -- and I understand staff's desire to comply
2 with all of the guidelines issued in the -- whatever
3 the --

4 MR. GREER: NPA guidelines.

5 CHAIRMAN JOHNSON: Yes, the NPA guidelines, but
6 there would only be the one that would be outside the
7 boundary. Jacksonville would be within nine years,
8 which is within the ten years that I think -- or no,
9 they suggest 15, don't they? Up to 15.

10 MR. GREER: Eight to ten, I think. Oh, no, you're
11 right. A difference of 15. I think you're right.

12 CHAIRMAN JOHNSON: And so Jacksonville with a new
13 area code would fall within those dates, and the
14 Tallahassee/Panama City/Pensacola would fall within
15 those dates. It would just be the Daytona that would
16 be outside of that particular guideline. Looking at it
17 as a whole, the majority of the new areas affected
18 would be within the guideline.

19 MR. GREER: Yes.

20 COMMISSIONER CLARK: Let me ask a question. Is
21 there any problem with ten-digit dialing for a local
22 call?

23 MR. GREER: With Option 4, I think no, the answer
24 is no. We will have some dialing things that we need
25 to fix due to the FCC's dialing parity requirements, we

1 may have to do some of those things, but not
2 necessarily as it relates to Option 4.

3 CHAIRMAN JOHNSON: What is that, again? I was
4 looking at -- I was concerned about dialing patterns,
5 too, with 4, but I recalled on Page 15 where you stated
6 that there is no seven-digit dialing across the new
7 area code boundaries, so that there wouldn't be any
8 problems with Options 1, 1A, or 4. Now, what
9 problem --

10 MR. GREER: I think that is what she was
11 referring, do we have to change any seven digits to ten
12 digit, and I think the answer is no.

13 CHAIRMAN JOHNSON: Any other questions?

14 COMMISSIONER DEASON: Well, let me just say to me
15 it is significant, and if you look at the table on Page
16 17 that under all of the options that the one that has
17 the largest exhaust date is Option 4, and that the next
18 time this would have to be addressed would be the year
19 2006. For all the other four options, 1, 1A, 2, and 3,
20 we have exhaust days ranging anywhere from the year
21 2000 to the year 2003. And to me that is a prime
22 attraction or benefit of Option 4, is that the exhaust
23 date is extended for a greater period of time.

24 CHAIRMAN JOHNSON: Yes. I would share your
25 thoughts and your concerns there. As I looked at

1 Option 4, and I went through the options and put my
2 dates and my numbers by them, Option 4 had the greatest
3 appeal for several reasons. In some ways it appears as
4 if under Option 1 that I don't know if Jacksonville
5 understands it's good news/bad news. The good news is
6 they get to keep their area code, the bad news is that
7 in 4.5 years somebody is going to be back telling them
8 something is going to change. Under Option 4, we can
9 assure Jacksonville that they have eight to nine years.
10 We can assure Pensacola, Panama City, and Tallahassee
11 that they have eight to nine years. We can assure
12 Daytona that they have 33. Now, knowing that the 33 is
13 outside of the guidelines, but looking at it as a whole
14 we still stay with the majority of the changes being
15 within the guidelines. That in my mind is persuasive
16 to have the largest or the longest extended exhaust
17 dates for these particular communities.

18 COMMISSIONER GARCIA: A quick question, because I
19 think most of us have exhausted what we had, but I just
20 wanted to ask something because I made a statement and
21 perhaps I may have been off. Where are we looking at
22 splits coming in the next two to three years?

23 MR. GREER: It's my understanding that 305 is
24 going to come up in the end of '98 exhaust, 407 will be
25 shortly thereafter, and then I think even 561 comes up

1 by the year 2000/2001. And, Commissioner, instead of
2 ensuring that they have these dates based on our best
3 estimate of the data we have, because we don't know how
4 competition is going to affect these area codes, and
5 permanent number portability and all of that kind of
6 stuff.

7 CHAIRMAN JOHNSON: With those qualifiers, and that
8 is another thing that causes me some concerns with
9 Jacksonville having such a short -- on our best
10 estimation they will have until 2002, which means in
11 about 4-1/2 years someone will start reviewing this
12 again. To the extent that we are wrong because of
13 booming competition and those kind of issues, I'm
14 concerned that it might even be shortened. But I
15 understand your qualifications, and it could go either
16 way.

17 COMMISSIONER DEASON: Let me state that I agree
18 with that, but I think that it's not four or five
19 years. We'll have to start looking at it again in a
20 period less than that.

21 CHAIRMAN JOHNSON: That's true.

22 COMMISSIONER DEASON: And even lesser than that if
23 the acceleration, if the utilization of numbers
24 accelerate, which we think competition may have that
25 effect. Am I correct on that, that we would actually

1 -- assuming industry does not address the problem
2 within the industry, and it comes before the
3 Commission, you're going to be dealing with it before
4 the year 2002, because that is the exhaust date or the
5 projected exhaust date.

6 MR. GREER: I think we are going to have to pay
7 very close attention to the area codes, and I think
8 you're right, we are going to have to watch those very
9 closely.

10 COMMISSIONER KIESLING: Let me just tell you where
11 I'm coming from. I was really torn between 1 and 4,
12 and I was the one who kind of originally started saying
13 maybe we should do 3. But I'm leaning toward 4, and
14 the reason that I am is because if we are going to
15 stick with LATA boundaries right now, and I think that
16 because there are enough questions in that area that we
17 probably should, even though the next time around we
18 may have to go to splitting LATAs, I think that Option
19 4 does give the most time and it allows at least some
20 level of certainty for those people who are going to be
21 most affected by it, as opposed to Option 1, which I'm
22 very concerned is going to exhaust even before 2002,
23 and is just going to be another problem. So, I'm going
24 to support Option 4, also.

25 COMMISSIONER CLARK: I think before we -- I think

1 we have pretty well outlined where we are coming from.
2 I would just point out, Commissioner Kiesling, with
3 respect to the LATA boundaries, to me that is what
4 argues for doing it the way it is now, because when we
5 know more about what LATAs are going to continue to
6 meet, we may have more options as to how to do area
7 codes, whereas if we do it now the four-way split, we
8 are following the LATA boundaries. It may be that very
9 shortly we will have more flexibility in how we can do
10 the area codes, and that to me argues for doing
11 Number 1.

12 COMMISSIONER GARCIA: Being in the minority on
13 this, and I accept the rationale, might I suggest to
14 the majority on this issue that perhaps today instead
15 of confusing the public which is watching this, we may
16 want to defer this and ask the administrator if they
17 are going to give us that number on the criterion that
18 we are submitting. My fear is that we may leave here
19 today voting for the three-way split, and we may be
20 right back here in a month because the administrator
21 says, "Look, we have a limited number of these things.
22 We don't want to be giving them out for a 30-year span,
23 and so I would like you guys to not do it this way."
24 And if that happens, I think we have confused and
25 muddled the issue. And I'm not saying that the

1 majority is confused or muddled. I understand the
2 rationale and I accept it, but it might work best if we
3 perhaps possibly deferred this and asked the
4 administrator and then came back for a vote.

5 COMMISSIONER CLARK: Madam Chairman, I would
6 disagree with that. If that's what we want to do, I
7 think we ought to go ahead and do it and then go to the
8 administrator and get it done. Because if we then have
9 to come back, I think you prolong the process. We
10 ought to do what we think is best and then if the
11 administrator comes back and tells us no, then we can
12 deal with that.

13 COMMISSIONER DEASON: Let me say that I agree with
14 Commissioner Clark. We need to make a decision today.
15 We have had the full hearing, we have had all the
16 customer hearings, we have got the evidence in front of
17 us, we need to decide what we think is appropriate for
18 the telephone consumers in this section of the state.
19 If we think Option 4 is the best, that's what we need
20 to vote out, and present it to the administrator, and I
21 think we are going to have a better chance of getting
22 that result. And if for some reason it is denied by
23 the administrator, well, then we will have to deal with
24 that at that point. And I think that we can try to
25 make it clear to customers that this is -- based upon

1 the evidence we have, this is our decision, but that
2 still there is a number administrator who is going to
3 have to have final approval even of what we decide
4 today.

5 CHAIRMAN JOHNSON: I think, then, Commissioner
6 Garcia, the point that Commissioner Deason just raised
7 is a good one. Your concern is a valid one that we not
8 confuse the customers. I think that's why we have Bev
9 DeMello and that group in order for us that when we go
10 out with this vote that we inform the media that there
11 is yet another step, and that we must have the final
12 approval to get that area code. And to the extent that
13 we have informed them of what we have attempted to do
14 and what we think is best, and to the extent that the
15 administrator comes back with something different, we
16 have at least put the public on notice that there is
17 another step that must be taken in this process.

18 COMMISSIONER KIESLING: And I would also suggest
19 that since it will take a couple of months to get even
20 permissive dialing in place, that that will give us
21 ample time to know what the answer is, and to be able
22 to come back and relook at it if we have to before the
23 day on which anyone has to start using the new area
24 code.

25 MR. GREER: Commissioners, if the Commission

1 proposes to implement a three-way split, then I would
2 probably instead of assigning Tallahassee the 904 in
3 the Option 4, I would probably leave that with
4 Jacksonville. I expect the competition in Jacksonville
5 to grow quicker than in Tallahassee, and that would
6 move your 2006 exhaust date closer. That would be
7 my --

8 COMMISSIONER DEASON: I'm confused. Do what with
9 Tallahassee?

10 MR. GREER: Essentially, in Option 4 you say it
11 has Jacksonville getting a new area code, Daytona
12 getting a new area code, and Tallahassee, Pensacola,
13 and Panama City keeping 904. I would recommend that
14 Jacksonville keeps 904, because I expect the
15 competition in the Jacksonville area to be more so than
16 in Tallahassee. And then although the dates are both
17 2006, I expect the Jacksonville date to pull back from
18 the 2006 date and be closer. It will probably be 2004
19 or 2005 depending on the amount of competition in
20 Jacksonville.

21 COMMISSIONER KIESLING: And I have to say that I
22 wondered why that option wasn't here before, because it
23 did seem to me that if we left 904 with Jacksonville,
24 since they are the fastest growing, that that would
25 mean that Jacksonville did not have to switch again

1 quite so soon. But that one wasn't presented, so I
2 didn't know how to deal with something that wasn't
3 here.

4 CHAIRMAN JOHNSON: And you all still need to help
5 me. You're saying we could switch, not give
6 Jacksonville a new area code and give them the 904, and
7 that would give them more time?

8 MR. GREER: Well, no, because if you look at the
9 date on Page 18, the dates on the end are 2006 for both
10 Jacksonville and Tallahassee, Pensacola, and Panama
11 City. There is more -- I expect there to be more
12 competition in Jacksonville, and the more competition
13 you have, the more NXXs you're going to use, and their
14 growth is higher right now. And so that --

15 COMMISSIONER GARCIA: Stan, isn't that taking into
16 account, though, when you make these predictions?

17 MR. GREER: Well, they do the best they can, but
18 there is no way to predict how much competition is
19 going to be in Jacksonville, because you don't know how
20 many people are out there. My belief is that
21 Jacksonville will be a bigger area for competition, and
22 that will draw Jacksonville's 2006 date back to 2005,
23 or 2004 possibly.

24 COMMISSIONER DEASON: I don't understand the
25 rationale why you would want the existing area code,

1 you would want to put it in the area that you think is
2 going to exhaust first, even though your projections
3 are the exact same time frame.

4 MR. GREER: Exactly.

5 COMMISSIONER KIESLING: I think I understand it,
6 and that is that those customers in the Jacksonville
7 area, if they keep 904 will only have to change once,
8 and that would be in 2005/2006, because they will keep
9 the number.

10 COMMISSIONER DEASON: Well, what about the people
11 in Panama City, Pensacola, and Tallahassee? If we
12 change them now, their exhaust date is still projected
13 to be 2006, and there would be another change for one
14 of those LATAs, and we don't know which one it would
15 be.

16 MR. GREER: And that's what I'm saying, is that in
17 Jacksonville I believe the competition and the use of
18 codes is going to be more. That their date of 2006
19 will be actually 2004 or 2005.

20 COMMISSIONER DEASON: There is another side to
21 that coin, and that is there is some justice, maybe
22 rough justice, but there is some justice in assigning
23 the area code to the areas creating the growth which is
24 using up all of the numbers. It's easier to explain to
25 customers, to all the customers that live in

1 Jacksonville -- and I'm not picking out anybody -- but
2 if there are more fax lines, if there are more beepers,
3 if there are more cellular phones, if there are all of
4 these things that are using up the numbers, and if
5 there is more competition and we already have evidence
6 in the record that if competition, that is new
7 competitive LECs are going to be using up numbers, it's
8 more likely to happen in Jacksonville because it is one
9 of the LATAs designated as the area that is going to
10 have that type of competition than the other areas. So
11 I think it's easier to explain to the customers why
12 there is a need for a new area code in the area that is
13 experiencing the rapid growth. That's just another
14 side of that argument.

15 MR. GREER: Sure. And that was presented.

16 COMMISSIONER GARCIA: Another side which I would
17 assume is going to be the majority's rationalization
18 for keeping it as it is, because -- I mean, we want --

19 COMMISSIONER DEASON: Well, I don't know what the
20 majority's -- I mean, I know my preference to leaving
21 the 904 in Tallahassee, Panama City, and Pensacola.

22 COMMISSIONER GARCIA: Commissioner, I know that,
23 and clearly you have defended your position well. I
24 know what I'm voting for, and it won't be that. But my
25 fear is that we be aware of what criterion we are using

1 here, because we are talking away with a new criterion.
2 And what Stan just stated is something to consider,
3 because the usage of these numbers are precisely the
4 reasons we look at this. And we have never used the
5 rationale that the abuser should be responsible. And
6 if we are going to use that --

7 COMMISSIONER DEASON: Now, I didn't use the term
8 abuser. Nowhere in my statement did I use the term
9 abuser.

10 COMMISSIONER GARCIA: The person who uses it a
11 lot. The areas that take up a lot of numbers. Forgive
12 me for the word abuser, that was my own word. But the
13 areas that use it up more are going to be the ones who
14 lose. We have never used that rationale in any of
15 these decisions that we have had before us. If that is
16 the rationale here, we are going to be exposing
17 ourselves to the costs involved in doing that,
18 Commissioner, and when we go to other areas to do this,
19 I can see that being an argument.

20 COMMISSIONER DEASON: Well, let me say this. I
21 don't think that should be part of our rationale.
22 Staff is the one that presented it saying that if
23 anything, even though the projected dates are the same,
24 that if they have any inside information, if you will,
25 and not any negative connotation on that, but their

1 professional judgment is that if anything, Jacksonville
2 is going to exhaust before 2006 under this projection.
3 And they are saying that is a rationale to leave 904
4 with them. And I'm saying, "Well, if you are going to
5 use that --" which I don't agree that it should be a
6 rationale at all as to who is using the numbers, there
7 is a counter argument that says, "Well, if a certain
8 LATA is using the numbers more rapidly than another
9 LATA, that is the rationale to give them the new area
10 code, because they are the ones putting the pressure on
11 the system. I would be completely content with not
12 even raising that as an issue as to who is using the
13 numbers as to get the new area code. Staff was the one
14 that raised it, and I just said, "Well, there is
15 another side to that argument that could be presented
16 as to the reason why you would do just the opposite."
17 But I'm satisfied not to even raise that as an issue
18 and as a concern.

19 COMMISSIONER KIESLING: And let me just say while
20 I think that it is an interesting thing to consider,
21 it's not laid out here. And I spent a lot of time
22 going through every single criterion looking at every
23 single option and trying to assign weights to what I
24 thought was the right thing on each criteria. And I
25 haven't had a chance to do that if we switch who gets

1 the area codes. And I want to be able to be thorough
2 if I am going to make a decision different than what is
3 here. So, my preference would be just to stay with
4 what is here and what we have had a chance to analyze.

5 CHAIRMAN JOHNSON: There is a motion and a second
6 to approve staff Option 1, the staff recommendation.

7 MR. PELLEGRINI: Chairman Johnson, before you go
8 farther, I need to point out on Page 8 in the table you
9 should ignore DMS's third choice. That misrepresents
10 DMS's position.

11 CHAIRMAN JOHNSON: So there was no third choice
12 for DMS?

13 MR. PELLEGRINI: That's right.

14 CHAIRMAN JOHNSON: Very well. That will be noted
15 for the record. There is a motion and a second to
16 approve staff's recommendation for Option 1. All those
17 in favor signify by saying aye.

18 COMMISSIONER CLARK: Aye.

19 COMMISSIONER GARCIA: Aye.

20 CHAIRMAN JOHNSON: Opposed, nay.

21 COMMISSIONER KIESLING: Nay.

22 COMMISSIONER DEASON: Nay.

23 CHAIRMAN JOHNSON: Nay. The motion fails. Is
24 there another motion?

25 COMMISSIONER KIESLING: Yes. I would move

1 Option 4.

2 CHAIRMAN JOHNSON: Is there a second?

3 COMMISSIONER DEASON: Yes, I'm going to second
4 that. But I want to clarify. We have had this
5 discussion about who is using the lines and who is not,
6 and I want to make it clear that my second is not based
7 upon whether Jacksonville has been using more lines
8 than anyone else. It's based upon the evidence that is
9 in the record that is in front of us, and the fact that
10 we have four options in front of us, this is the option
11 that I think based upon the evidence in the record is
12 the most beneficial for all the telephone consumers,
13 and that is the basis for which I am seconding it.

14 CHAIRMAN JOHNSON: There has been a motion and a
15 second to deny staff and approve Option 4. All those
16 in favor signify by saying aye. Aye.

17 COMMISSIONER DEASON: Aye.

18 COMMISSIONER KIESLING: Aye

19 CHAIRMAN JOHNSON: Opposed, nay.

20 COMMISSIONER CLARK: Nay.

21 COMMISSIONER GARCIA: Nay.

22 CHAIRMAN JOHNSON: Show staff denied, and Option 4
23 approved for Issue 1.

24 COMMISSIONER KIESLING: Well, I just need to know
25 from staff if on Issue 2 the implementation dates or

1 anything are changed based on what we have just done.

2 MR. GREER: I would think you would need to give
3 us a little more time, because the industry is going to
4 have to get together and see what they are going to
5 have to do to implement a third area code, and whether
6 or not there are any problems. The end of June. Give
7 us another month, that should be plenty. If not, we
8 will bring something back to you changing that.

9 COMMISSIONER KIESLING: Then I would move Issue 2
10 with the modification that the latest implementation
11 date would become June 30, 1997, with mandatory dialing
12 beginning that same date in '98.

13 CHAIRMAN JOHNSON: Is there a second?

14 COMMISSIONER DEASON: Second.

15 CHAIRMAN JOHNSON: With the modification being
16 that the permissive dialing should begin as soon as
17 practicable, but no later than January 30, 1997, with
18 mandatory dialing on June 30, 1998. There is a motion
19 and a second. All those in favor signify by saying
20 aye.

21 (Unanimous affirmative vote.)

22 CHAIRMAN JOHNSON: Opposed, nay. Show it approved
23 without objection.

24 COMMISSIONER KIESLING: And I move Issue 3.

25 CHAIRMAN JOHNSON: Is there a second?

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COMMISSIONER DEASON: Second.

CHAIRMAN JOHNSON: Show it approved without
objection. Thank you very much.

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)

COUNTY OF LEON)

I, JANE FAUROT, Court Reporter, do hereby certify that the foregoing proceedings was transcribed from cassette tape, and the foregoing pages numbered 1 through 32 are a true and correct record of the proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor relative or employee of such attorney or counsel, or financially interested in the foregoing action.

DATED THIS 24th day of January, 1997.

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