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March 13, 1998

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 980048-TL
Request for review of proposed numbering plan relief for 813 area code

Dear Ms. Bayo:

Please find enclosed an original and fifteen copies of GTE Florida Incorporated's Posthearing Statement... for filing in the above matter. Also enclosed is a diskette with a copy of the Posthearing Statement in WordPerfect 6.1 format. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this matter, please contact me at (813) 483-2617.

ACK _____
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Very truly yours,

Kimberly Caswell
Kimberly Caswell

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Enclosures

Handwritten initials and signature

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for Review of Proposed) Docket No 980048-TL
Numbering Plan Relief for 813 Area Code) Filed March 13, 1998
_____)

GTE FLORIDA INCORPORATED'S POSTHEARING STATEMENT

GTE Florida Incorporated (GTEFL) files its Posthearing Statement in accordance with Commission Rule 25-22.056(3)

GTEFL's Basic Position

There is no solution in this case that will please all of GTEFL's customers, who would prefer no change associated with numbering plan relief. Because that outcome is impossible, there are two relief options under consideration in this proceeding—an overlay and a geographic split. Each approach has benefits and drawbacks. After careful consideration, however, GTEFL has concluded that the overlay is the best and least disruptive long-term solution. It is also the method chosen by unanimous vote of current code holders in the 813 area, and the one preferred in a survey of over 2000 customers.

A principal reason the overlay is preferable to the split is that no customer will be asked to change the area code portion of his telephone number. In addition, cellular telephones will not need to be reprogrammed and businesses need not spend money to print new stationery, business cards, and other items.

In contrast, a geographic split will require half of the customers in the 813 area to change their area codes. Under federal guidelines, that half would be Pinellas County. The split, moreover, would require initiation of relief planning again almost immediately.

GTEFL

as the number exhaust problem will arise sooner than it would under the overlay approach

Perhaps most significantly, GTEFL does not believe customers fully understand all of the ramifications of either relief method. In particular, no split will eliminate the need for 10-digit dialing for a significant volume of traffic—at least 15 million calls, regardless of the split chosen. This is a critical point because 10-digit dialing was by far the most common complaint of consumers testifying against the overlay.

This example also underscores a point that is important to the Commission's deliberations: most of the customers testifying were not interested in the technical complexities and long-term effects associated with the relief options. The Commission, though, as the expert agency deciding this case, must carefully consider such matters. GTEFL thus asks the Commission to properly weigh GTEFL's technical and other evidence against the testimony of a very tiny fraction of the 2 million customers that will be affected by the outcome of this docket.

GTEFL's Specific Positions

Issue 1: Should the Commission approve the overlay plan for 813 area code relief, and if not, what relief plan should the Commission approve?

GTEFL's Position: Yes. The overlay was unanimously chosen by current code holders. It is the least disruptive and longest-lasting solution. The split will not avoid substantial 10-digit dialing, which was customers' chief complaint. Also, even the customers in favor of the split did not agree on the appropriate geographical division.

The introduction of new telecommunications technologies and services, along with the advent of local competition, has produced a critical shortage of available telephone numbers in the 813 area code. In its function as code administrator in West Central Florida, GTEFL has determined that the 813 area code will exhaust in the fourth quarter of this year. (Gancarz Direct Testimony (DT) at 2.)

Number exhaust resolutions are customarily determined by the industry itself, without Commission involvement. As such, GTEFL invited all known code holders and requestors to a September 1997 meeting to present information on the possible relief options, including three geographic splits and an overlay. The split method would divide the exhausting numbering plan area (NPA) in two, leaving the existing code with the area of highest usage, with a new code assigned to the other area. (Gancarz at 4.) The overlay would superimpose a new area code--in this case 727--on the existing one, with numbers from the new code assigned to growth on a carrier-neutral basis. (Gancarz DT at 5.)

The September industry meeting was reconvened in November of 1997, when a vote was taken on the available relief options. All of the code holders attending the meeting unanimously agreed that the overlay was the best option. (Gancarz at 6.) Based on this industry consensus, GTEFL undertook plans to implement an overlay. (Gancarz, Tr. 283-84.) Those plans were, of course, halted when the Commission acted upon customer requests to investigate this matter.

GTEFL believes the industry made the right decision and it continues to support the overlay. Although the overlay approach is not without its disadvantages, they are, on

balance, less troublesome than those associated with the geographic split. The principal advantage of the overlay is that no customer will need to change the area code portion of his ten-digit telephone number. In addition, the overlay will avoid reprogramming of all cellular phones, and businesses will not need to pay for new stationery, business cards, brochures, and the like. (Menard, Tr 190)

The overlay also promotes the ongoing unification of the Tampa Bay area. The 813 area code already covers the second-smallest geographic area in Florida (Menard, Tr 198), and GTEFL and most of its customers consider Tampa Bay as one metropolitan area. (Menard DT at 3.) The overlay will, moreover, avoid the confusion of having different dialing patterns for the same type of call between locations where people live and work in the Tampa Bay area. (Menard DT at 8)

The overlay solution is also the longest-lasting, at six to eight years. (Menard DT at 192.) At that time, it is likely that another overlay would be proposed. Indeed, an overlay is probably inevitable in the not-too-distant future, even if a split is ordered this time around. GTEFL strongly disagrees that there is any good dividing line for a split. (Menard, Tr. 232.) However, if the Commission mandates any split in this case, there will be no remotely workable split after that. (Menard, Tr 232.) While an overlay is a departure from the traditional split method, and would require relatively more consumer education this first time (which GTEFL is fully prepared to do for all segments of the population, including small children, (Menard, Tr 203-04)), experience shows consumers will easily adapt. (See, e.g., Roberts, Tr 79) Once an overlay is done, future overlays will be relatively painless and certainly less disruptive than yet more splits.

In contrast to the overlay, the geographic split would require half of the customers in the 813 area code to change their area codes. The importance of this factor for customers is confirmed by testimony given by Senator Latvala, who represents part of Pinellas County. Mr. Latvala spoke in favor of the split, but emphasized that Pinellas County should get the 813 area code. (Latvala Prepared Statement at 8.) This outcome, however, would "drastically violate the guidelines," which require the area with the larger number of NXXs—in this case, Hillsborough—to retain the existing area code. (Menard DT at 194-95.) So the split will not allay Mr. Latvala's concern about the effort to "impose a new area code on the people of [his] district." (Latvala Prepared Statement at 2.) Since Pinellas County will receive a new area code under either the split or the overlay, Mr. Latvala's support of the split must thus be gauged in view of the condition that his constituents keep the 813 code.

The geographic split will also require businesses to expend resources to obtain new printed materials, and all cellular customers to return to their dealers for phone reprogramming. (Menard, Tr. 190.) While these were perhaps not important considerations for the residential customers testifying at the hearing, a large segment of cellular users and businesses would likely disagree.

Additionally, if a geographic split is implemented, exhaust planning will need to start again almost immediately because the split's relief will likely be short-lived. If exhaust is predicted to occur in as little as three years, planning needs to begin at least two years before that exhaust. (Menard, Tr. 231.) National numbering guidelines state that an exhaust solution should last at least eight years. (Menard DT at 193), only the overlay

meets this standard. Under Staff's Option 2 (Pinellas and Hillsborough/Pasco), relief for Pinellas may last seven to nine years, but Hillsborough will exhaust again in just three to five years. (Menard DT at 193.) With Option 3 (Pinellas/Pasco and Hillsborough/Pasco), the Pinellas side would last six to eight years, but the Hillsborough side only four to six. (Menard DT at 195.) Finally, under Option 4 (Pinellas/Pasco and Hillsborough), Pinellas/Pasco would exhaust in six to eight years, and Hillsborough in five to seven. (Menard DT at 195-96.)

At the hearings, customers cited two principal disadvantages associated with the overlay. First, they dislike the fact that different area codes may be assigned to neighbors or even to second phone lines within a single house. These fears, however, are probably more theoretical than real. As Mr. Gancarz testified, this possibility is relatively unlikely since GTEFL's plans include measures to make assignments in the same area code as existing services whenever possible. (Gancarz DT at 6-7.) And even if a neighbor chooses a provider other than GTEFL, it is likely that provider will have numbers to assign from the 813 code.

The second and most prominently cited potential disadvantage of the overlay was the need for 10-digit dialing on all local calls within the area covered by the new code. (Menard, Tr. 261.) This is mandatory under FCC rules to maintain competitive neutrality among local competitors. Implementation of the Local Competition Provisions of the Telecomm. Act of 1996, 2d R&O and Mem. Op. & Order, FCC 96-333 (Aug. 8, 1996) at para. 283.

Based on their testimony, GTEFL does not believe customers fully understand that

the geographic split will not entirely avoid the 10-digit dialing they so vehemently criticize. (Menard, Tr. 261-62.) As Ms. Menard explained, numerous extended calling service (ECS) routes have been ordered for the 813 area, in response to consumer demands for toll relief. (Menard DT at 3-4.) Because the Commission has deemed these routes to be local, no toll competition is permitted on them, a determination that has been upheld by the Florida Supreme Court. (Menard DT at 4)

Due to the local calling plans in the Tampa Bay area and the concentrated nature of the 813 area, there is no dividing line which will not split some local calling areas. Industry guidelines state that inter-NPA calls should be done on a 10-digit basis to insure against code conflicts and inefficient usage of NXXs (Of course, with an overlay, these conflicts are not present.) (Menard DT at 5) The bottom line is that any of the split options would require 10-digit dialing for a significant volume of traffic--on the order of 15 million calls a month. (Menard DT at 5; Tr. 190, 214, 232, Menard Late-filed Ex. 8)

Since 10-digit dialing is customers' chief complaint, and such dialing will still be a prominent feature of the split, GTEFL is skeptical that these customers will ultimately be satisfied with the split, especially in consideration of its other, significant negative effects. In view of the millions of 10-digit dialed calls under even the geographic split, and the likely inevitability of the overlay in the not-too-distant future, it would be easier and less confusing to make the transition to uniform 10-digit dialing now (Menard, Tr. 232) Once this move is made, there will be nothing new for customers to understand or to change when another overlay is done. (Menard, Tr. 255.) GTEFL believes uniform 10-digit dialing is preferable to the patchwork of 7- and 10-digit dialing that will exist in a geographic split situation. It

is easier to know that all local calls are 10-digit dialed, as opposed to having to remember that some routes are 10-digit dialed and some are 7-digit dialed (Menard, Tr. 257.)

The 10-digit dialing issue also provides a useful general perspective on this case. Numbering is a very technical subject area, made even more complicated by FCC rulings and North American Number Plan (NANP) standards. As public witness White aptly observed, most customers are not interested in the technical details of numbering relief (White, Tr. 165.) In fact, none of the customers testifying in the morning session of the evidentiary hearing stayed to hear the companies' experts testify in the afternoon session (See Menard, Tr. 261.) Further, among those expressing a preference for a particular split option, there was no consensus as to what option should be ordered (Lyon, Tr. 62; Roberts, Tr. 80; New, Tr. 96; Kramer, Tr. 101; Evans, Tr. 104; Campbell, Tr. 113; Blaber, Tr. 147; Whitney, Tr. 168.) The nature of the split is, of course, a key factor in determining whether the split should be implemented at all. Even those testifying in favor of the split may not support it in the end if it's a split they don't like.

While the public witnesses' positions may be formulated without regard for the technical or legal aspects of the relief issue, or the longer-term effects of the relief options, the Commission cannot ignore these considerations. GTEFL urges the Commission to give due regard to GTEFL's technical expert testimony, which provides a realistic view of the consequences of the split. GTEFL, moreover, cautions the Commission to avoid drawing broad conclusions about relief that will affect 2 million people on the basis of a tiny handful of those people that may not be representative of the larger population. (Only 21 people spoke against the overlay at the February 24 hearing, many of them were the same

as those testifying at the other public hearings on January 8.)

More probative than the public testimony, GTEFL believes, are the surveys GTEFL commissioned to test public reaction to the overlay and split options. Market research was conducted with 2100 local customers to understand their attitudes towards these two alternatives. As expected, the results indicate that they do not welcome the changes required by either. But when customers learn that these are the only available alternatives and understand all the characteristics and implications of each, 90% of residential customers and 95% of businesses are favorable or neutral towards the overlay (Tr. 15; Ex. 10.) Particularly important to customers was the longer-term relief associated with the overlay; many customers initially opposed or neutral to the overlay chose it over the split when they understood it would avoid more disruptions than the shorter-term measure of the split. They would then rather make the change to 10-digit dialing now and get it over than have to undergo the further dialing pattern and number changes the split would cause. (Menard, Tr. 254-55.) This point is particularly significant, because GTEFL believes most of the public witnesses testifying against the overlay focussed on the present; there was little concern for the level of future disruption

GTEFL presented its survey findings and took questions about them at the two public workshops in this docket. Predictably, the customers favoring the split dismissed the survey results because the data didn't support their position. Public Counsel, as well, tried to cast doubt on the neutrality of the survey. These criticisms were more emotional than substantive. The survey was carefully designed by an independent agency to avoid any bias in the results. GTEFL stands by the soundness of the survey questionnaire and

the results. Indeed, if the survey results were not probative of consumer opinion about the relief options, there would have been no reason for Public Counsel to have fought so hard to keep them out of the record. (See Tr 268-73)

The fact remains that the survey recorded the opinions of over 2100 people, as opposed to 22 public witnesses at the February 24 technical and evidentiary hearing. It is also important that the survey reflected the opinions of a random sample of people. In contrast, the public hearings were much more likely to have attracted people trying to change GTEFL's overlay plan. This group is not necessarily representative of the 2 million customers that will be affected by the action in this docket (Menard, Tr 261.)

In addition to the survey results, the industry's vote for the overlay lends further objective support for this option. GTEFL was just one vote among all of the others at the meeting. (Gancarz, Tr. 284.)

Despite the fact that all code holders, including MCI and AT&T, were invited, (Gancarz, Tr. 284), MCI and AT&T did not attend the meeting at which the overlay was approved. Thus, it is surprising that they would now raise, for the first time, competitive concerns about the overlay. MCI's and AT&T's witnesses could not account for the absence of these companies at the voting session. However, Ms. Faul admitted that if MCI were invited (which it was), it would have been reasonable for MCI to have registered any objections to the overlay at the time the industry vote was taken. (Faul, Tr. 324-25.) Because MCI and AT&T did not air their concerns when they had the opportunity, it is difficult to believe they are very meaningful. Their claims that the overlay is anticompetitive are especially hard to believe when all of the code holders attending the

September and November meetings—including AT&T Wireless and other GTE competitors—voted for the overlay.

The core of MCI's and AT&T's complaint is that, in the event of an overlay, GTEFL will be able to assign numbers in the old and purportedly more desirable area code, while GTEFL's competitors will be left with the new and less desirable NPA. (Faul, Tr. 322.) But what MCI and AT&T didn't reveal is that they already have plenty of numbers in the 813 area code. MCI has 160,000 telephone numbers it can assign in the 813 code. (Tr. 324.) AT&T has 50,000. (Tr. 346.) GTEFL would guess that these are many more than those companies will need in the reasonably foreseeable future. In addition, both companies can ask for even more numbers up to October of 1998. (Tr. 324; Smith, Tr. 345.)

In an overlay situation, GTEFL will be in exactly the same position as these companies. The numbers in the 813 code will be continue to be allocated in a nondiscriminatory fashion to all carriers. (Smith, Tr. 347.) When the new code is implemented, MCI and AT&T would likely have 813 numbers they have not used. (See Smith, Tr. 348.) Once the 813 numbers are exhausted, GTEFL, like AT&T and MCI, will assign numbers in the new area code. Therefore, there is no basis for AT&T's position that GTEFL will be "unduly advantaged" because of the overlay. (Smith, Tr. 341.)

In the event of an overlay, MCI and AT&T asked the Commission to impose a number of conditions. GTEFL already agrees with some of these. It concurs that 10-digit dialling would need to be mandatory for all local calls in an overlay situation, per FCC order. (Faul DT at 14; Smith DT at 9.) Also, the overlay would be applied to all telecommunications carriers, as AT&T requested. (Smith DT at 9.)

GTEFL cannot, however, agree to AT&T's suggestion that all remaining NXXs in the old area code should be allocated to all competitors but GTEFL. There is no reason for this measure. GTEFL's number allocation procedures are fair and reasonable. They will remain so in the overlay situation. As noted, the 813 NXXs will be assigned to all carriers in a neutral manner until they are gone. Then all carriers will assign from the new area code. Given this approach, there is no factual foundation for Mr. Smith's fear that the overlay will become a "significant barrier to local market entry." (Smith, Tr. 342.)

In any event, GTEFL will not be code administrator for much longer; under the FCC's plan, Lockheed Martin will take over that function from BellCore and the local exchange companies. (Menard, Tr. 259-60) So suggestions about what GTEFL should do in the future are largely moot.

AT&T's and MCI's other proposed requirements in the event of an overlay are not GTEFL-specific matters. The timing of implementation of permanent number portability depends in the first instance on the establishment of the requisite portability database by the vendor. (Menard, Tr. 236-39.) Ms. Faul thus agreed that her recommendation for maintenance of the current schedule for number portability is not a GTE-specific issue, but rather an industry-wide one. (Faul, Tr. 325.) And the Commission already has underway a review of number conservation measures, which would include rate center consolidation (RCC) and number pooling. (Menard, Tr. 239, 242, 266)¹ There is no need for GTEFL

¹ GTEFL points out, in addition, that there are legal problems with rate center consolidation here because of the Commission view that rate regrouping is impermissible under the rate caps for price-regulated carriers under Chapter 364. (See Menard, Tr. 244-45.)

to report independently on RCC, as MCI suggests, because it is an industry-wide issue, even in MCI's view (Faul, Tr. 326), and RCC could not, in any case, be developed and implemented in time to ease the exhaustion that gave rise to this case. (Menard, Tr. 266.)

Likewise, the Commission should disregard any suggestion by OPC that no area code relief is needed at this time. In OPC's cross-examination of GTEFL witness Gancarz, OPC tried to cast doubt on Mr. Gancarz's growth assumptions because they did not consider potential future number conservation measures. As Mr. Gancarz pointed out, there is no way to build in an assumption about number conservation for the purposes of this proceeding, because there is no viable solution being touted in the industry right now or for the near future. (Menard, Tr. 240; Gancarz, Tr. 283.) Based on past experience, it is safer to assume that more, rather than less, numbers will be used. In Mr. Gancarz's experience in dealing with other number administrators, there has never been an instance in which one of them overestimated the length of time a particular code would last. (Gancarz, Tr. 298-99.) In fact, at the time of the last split in the 813 area code in March of 1996, it was projected that the 813 area code would last until 2002--a full three years too generous. (Gancarz DT at 3.) While GTEFL supports further study of number conservation methods as a way of avoiding future exhausts, there is no evidence in this record or, for that matter, anywhere else, that would mitigate the urgent need for relief in the 813 area.

Issue 2: What should the dialing pattern be for the following types of calls?

- a. Local
- b. Toll
- c. EAS
- d. ECS

GTEFL Position: If the overlay is implemented, all local calls (including EAS and ECS) will be 10-digit dialed. If a split is ordered, many local calls will still need to be 10-digit dialed. Toll will remain on a 1+10 digit basis under either the overlay or split.

Local calls, by Commission order, include EAS and ECS routes. Under an overlay plan, all local calls would be dialed on a 10-digit basis, per FCC order. If a geographic split is ordered, some local calls should be dialed on a 10-digit basis, including most ECS routes. (Menard, Tr. 223.) This is necessary because of the concentrated nature of the 813 code area and the large number of local calling areas (including ECS and EAS areas). Industry guidelines state that inter-NPA calls should be dialed on a ten-digit basis to avoid code conflicts and inefficient usage of NXXs. (With an overlay, there is no code conflict problem.) (Menard DT at 5.) Without 10-digit dialing, code conflicts would be "tremendous" because there are so many codes currently used on a local basis in the affected areas. (Menard, Tr. 251.)

Attachment BYM-1 to Ms. Menard's Direct Testimony lists the local routes that will need to be 10-digit dialed under each of the three split options under consideration. If a Hillsborough/Pasco (813) and Pinellas/Pasco (727) split (Staff's Option 3) is ordered, 10-digit dialing would be necessary on the Clearwater to Tampa West EAS route and four ECS routes, including St. Petersburg to Tampa. If the split is between Hillsborough/Pasco (813) and Pinellas (727) (Option 2), there will be two 10-digit EAS routes and five 10-digit ECS routes. If a Hillsborough (813) and Pinellas/Pasco (727) (Option 4) split is done,

there will be 10-digit local dialing from Tampa North to the rest of Tampa, two 10-digit EAS routes, and five 10-digit ECS routes. Under any split approach, then, a substantial volume of traffic will need to be dialed on a 10-digit basis--ranging from 14 million to 15.5 million calls, depending on the option chosen. (Menard Late-filed Ex 8) It should be noted that these call volumes do not include EAS calls which will also be dialed on a 10-digit basis.

While 1+10 digit dialing was ordered for some BellSouth routes before the advent of intraLATA presubscription, this approach is not appropriate now in a competitive environment. GTEFL's ECS routes in the 813 area code are all local calls; by Commission fiat, no competition is allowed on these routes. Under intraLATA presubscription, when a customer dials a "1" before the 10-digit number, the call is transported by his presubscribed carrier. If, however, 1+10-digit dialing were ordered for local-only ECS routes, all calls would be routed to GTEFL. This treatment is inconsistent with consumer expectations and the basic premise of 1+ intraLATA presubscription. In addition, GTEFL's billing system will not recognize a 1+ call as local ECS. (Menard DT at 190-91, Tr. 221-22.)

For the toll routes involved in this case (also listed on Exhibit BYM-1) the dialing pattern will continue to be 1+10 digits, in accordance with equal access principles adopted by the Commission when it implemented 1+ intraLATA presubscription. Customers will also retain the ability to make these calls on a 10XXX basis. (Menard DT at 5-6)

Respectfully submitted on March 16, 1998

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Posthearing Statement in Docket No. 980048-TL were sent via U S mail on March 13, 1998 to the parties on the attached list.



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