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APW

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**IN THE MATTER OF THE PETITION OF)
NEUSTAR, INC., ON BEHALF OF THE) CAUSE NO. 44513
INDIANA TELECOMMUNICATIONS)
INDUSTRY, FOR APPROVAL OF NPA) APPROVED:
RELIEF PLAN FOR THE 317 NPA)**

APR 08 2015

ORDER OF THE COMMISSION

Presiding Officers:

**Carol A. Stephan, Commission Chair
David E. Veleta, Administrative Law Judge**

On July 10, 2014, NeuStar, Inc. (“Neustar”), the North American Numbering Plan Administrator filed its petition (the “Petition”) with the Indiana Utility Regulatory Commission (“Commission”) initiating the above-captioned Cause. In the Petition, Neustar, in its role as the neutral third party Numbering Plan Area (“NPA”) Relief Planner for Indiana under the North American Numbering Plan and on behalf of the Indiana telecommunications industry (the “Industry”), petitioned the Commission to approve the Industry’s consensus recommendation for an all-services distributed overlay of the 317 area code as the preferred form of relief for the 317 NPA. The recommendations to the Commission were based upon Neustar’s projections that absent NPA relief, the supply of central office codes (often referred to as “CO” or “NXX” codes) for the 317 NPA will be exhausted during the second quarter of 2017. Indiana Bell Telephone Company Incorporated d/b/a AT&T Indiana (“AT&T Indiana”), and the Indiana Broadband and Technology Association (“IBTA”) filed Petitions to Intervene, both of which were granted by the Presiding Officers in docket entries.

Public field hearings were held on September 26, 2014 in Indianapolis, Indiana; October 1, 2014 in Carmel, Indiana; October 14, 2014 in Franklin, Indiana; October 29, 2014 in Danville, Indiana; and December 1, 2014 in Greenfield, Indiana. At each of the public field hearings, the Indiana Office of Utility Consumer Counselor (“OUCC”) moved for admission and the Commission admitted the public’s comments into the evidentiary record of the above-captioned Cause.

A public evidentiary hearing was conducted in this Cause at 9:30 a.m. on February 10, 2015 in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Neustar, the IBTA, and the OUCC appeared and were duly represented by counsel. The IBTA offered AT&T Indiana’s evidence on their behalf. No members of the general public appeared or sought to testify at the evidentiary hearing.

Having considered the evidence of record and based upon the applicable law, the Commission now finds:

1. Notice and Jurisdiction. Notice of these proceedings was given and published by the Commission as required by Indiana law. The proofs of publication of the notice of the evidentiary hearing have been incorporated into the record of this proceeding. Neustar filed the Petition on behalf of the industry members, who are Communications Service Providers (“CSP”) and public utilities, as those terms are defined in Ind. Code chs. 8-1-2 and 8-1-2.6 and subject to the jurisdiction of the Commission in the manner and to the extent provided by the laws of the State of Indiana. The Commission has jurisdiction over the subject matter of this Cause in the manner and to the extent provided under state and federal telecommunications laws, including, but not limited to Ind. Code ch. 8-1-2.6, 47 U.S.C. § 251(e)(1), and 47 C.F.R. § 52.19.

2. Summary of the Evidence Presented.

A. Neustar’s Case-in-Chief. Neustar sponsored the direct testimony and exhibits of Mr. D. Wayne Milby, Senior Numbering Plan Area Relief Planner for the Eastern Region of the North American Numbering Plan. Mr. Milby testified that the 2014 Number Resource Utilization Forecast NRUF and NPA Exhaust Analysis indicated that the 317 NPA would exhaust during the second quarter of 2017. Neustar notified the Industry and the Commission that relief planning needed to be addressed. On May 29, 2014, Neustar facilitated an Industry meeting, via conference call, for the purpose of presenting NPA relief alternatives to the Industry and to ultimately allow Industry members to come to consensus on a single relief plan to be presented to the Commission. Prior to the May 29, 2014 meeting, Neustar prepared and distributed an Initial Planning Document (“IPD”) which described three relief alternatives for the 317 NPA.

Mr. Milby testified that the three relief alternatives were an all-services distributed overlay and two concentrated overlays. The second concentrated overlay alternative was proposed by an Industry member prior to the May 29, 2014 relief planning meeting. At the May 29, 2014 meeting, the Industry discussed the pros and cons of each of the three relief alternatives and reached consensus to eliminate all alternatives except for Alternative No. 1, the all-services distributed overlay. After reaching consensus on the recommended relief plan, on July 10, 2014, Neustar filed its Petition with the Commission on behalf of the Industry notifying the Commission of the Industry’s consensus plan to implement an all-services distributed overlay as the means of relief for the 317 NPA.

Mr. Milby’s testimony summarized the descriptions of all of the relief alternatives. Alternative No. 1, the all-services distributed overlay, would superimpose a new NPA code over the same geographic area as the existing 317 NPA. All existing customers would retain the 317 area code and would not have to change their telephone numbers. Consistent with Federal Communications Commission (“FCC”) regulations, the all-services distributed overlay would require 10-digit dialing for all calls within and between the 317 NPA and the new NPA. Toll calls within the home NPA would be dialed using 1+10-digits. Toll calls crossing NPA boundaries would require 1+10-digit dialing and operator assisted calls would require 0+10-digit dialing. The all-services distributed overlay has a projected life of 49 years.

For the concentrated overlay alternatives, a new NPA code would be assigned to only certain rate centers in the same geographic area occupied by the existing 317 NPA. Customers

would retain their current telephone numbers; however, 10-digit dialing would be required by all customers within and between NPAs in the rate centers within the concentrated overlay area. Those customers not located within the overlay area would retain 7-digit local dialing until the remaining 317 CO codes were assigned. The overlay then would be extended to all rate centers in the 317 NPA. All remaining 317 CO codes would be assigned only to the area outside of the overlay. At the time of exhaustion of the 317 NPA, all future code assignments would be made in the overlay area code. For concentrated overlay Alternative No. 2, the concentrated overlay would only be distributed over the Indianapolis rate center. The projected time before the need for expansion of the overlay for Alternative No. 2 is 6.3 years. The projected life of the area code is 49 years. Concentrated overlay Alternative No. 3 is similar to Alternative No. 2. The concentrated overlay for Alternative No. 3 would include the Indianapolis rate center, as well as all of the adjacent rate centers that surround the Indianapolis rate center: Carmel, Fishers, Oaklandon, Cumberland, Acton, Greenwood, West Newton, Plainfield, Brownsburg, and Zionsville. The projected time before the need for expansion of the overlay Alternative No. 3 is 18.4 years. The projected life of the area code is 49 years.

Mr. Milby sponsored exhibits reflecting that the Industry members discussed the pros and cons of each alternative at the relief planning meeting and reached consensus to eliminate all alternatives except for Alternative No. 1, the all-services distributed overlay. The Industry reached consensus to eliminate the concentrated overlays because these alternatives would require two rounds of customer education notices and two full relief efforts, thereby increasing the opportunity for customer confusion. For service providers that use one switch for multiple NPAs, a concentrated overlay is difficult to implement with complicated translations. In addition, a concentrated overlay discriminates against customers inside the overlay area that have to dial 10-digits immediately as opposed to those that retain 7-digit dialing outside of the concentrated overlay. Projecting the time of exhaustion of a concentrated overlay requires the assessment of data at the rate center level which may change or become altered over time.

According to Mr. Milby, the Industry reached consensus to recommend to the Commission Alternative No. 1, the all-services distributed overlay, as the preferred means of relief for the 317 NPA. He also testified that the Industry participants reached consensus to recommend to the Commission a 13-month schedule for implementing the all-services distributed overlay. The schedule includes recommended intervals for each implementation phase. The Industry recommended six months for network preparation and customer education followed by six months for permissive 10-digit dialing and continued customer education. Mandatory 10-digit dialing would begin at the end of the permissive dialing period. The first code activation for codes assigned from the new overlay NPA would take place one month after mandatory 10-digit dialing begins.

B. AT&T Indiana's Case-in-Chief. AT&T Indiana sponsored the direct testimony of Mr. George Guerra which supports Neustar's recommendation that the Commission approve the Industry's unanimous consensus for an all-services distributed overlay as the preferred form of relief, as well as the 13-month implementation schedule proposed by Neustar. Mr. Guerra testified that such actions will minimize inconvenience to consumers, help avoid denial of service to new customers prior to the anticipated exhaust of the 317 NPA, and support

the continuing trend throughout the United States to use the all-services distributed overlay as the preferred form of area code relief.

In describing why AT&T Indiana supports this approach, Mr. Guerra explained that there are several advantages to implementing the all-services distributed overlay: (1) it is the most equitable approach to area code relief because all customers are treated equally and all existing customers can keep their 317 numbers; (2) it can be easily implemented and adapted to by consumers because they do not have to change their numbers and are already familiar and comfortable with ten-digit dialing due to the proliferation of wireless communications, where ten-digit dialing is the common practice; and (3) it provides additional benefits, including offering the best, simplest, and most efficient long-term relief plan, preserving the current geographic identity of the 317 NPA, avoiding division of communities of interest, resulting in a more efficient utilization of area codes, avoiding impacts on non-telephone company databases that use ten-digit phone numbers as search criteria, and avoiding adverse impact for 911 systems in the current 317 NPA.

Mr. Guerra testified that an overlay is the most efficient relief type with regard to number utilization. He stated that over the past eight years, state utility commissions have nearly unanimously (with just one exception in 2006) found overlay relief to be the most preferred and least disruptive relief option, confirming the superiority and efficiency of this recommended approach. Mr. Guerra noted future overlay area code relief would be seamless and virtually transparent to most customers and if such future relief were necessary, another new area code could easily be placed over the relevant 317 geographic area.

Mr. Guerra noted that the most significant impact of an all-services distributed overlay is its effect on local dialing patterns, since it would require mandatory 10-digit dialing for local calls within both the existing and overlay NPAs. However, Mr. Guerra explained that this impact is minor in today's telecommunications environment, where customers are already comfortable with making local calls between area codes and dialing ten digits as part of their routine calling patterns.

Mr. Guerra also outlined why the Industry endorsed 13-month implementation schedule was appropriate. He noted that based on the Industry's past experience with implementing overlays, providing six months of customer education and network preparation, followed by six months of permissive seven-or 10-digit digit dialing, followed by one month of mandatory 10-digit dialing before activating the new NPA provides adequate time for preparation and customer education, resulting in smooth implementation and the avoidance of any delay or denial of service to customers due to the unavailability of new NXX codes.

Mr. Guerra explained key steps in the 13-month implementation schedule, noting that current dialing patterns within the area code are maintained during the permissive dialing period, but customers also can begin dialing all calls with 10 digits in order to become accustomed to this method of dialing before it becomes mandatory. The permissive 10-digit dialing period is beneficial because it allows customers to modify their on-premises communications equipment and automatic dialers for 10-digit dialing in advance of the mandatory 10-digit dialing date. Permissive 10-digit dialing is particularly helpful to alarm companies because it allows them a

long lead time to modify alarm dialers on customer premises to dial 10-digits for local calls to the central alarm reporting stations or emergency services if those dialers had been previously programmed to dial just 7-digits. With respect to the timing of the conversion to mandatory 10-digit dialing, Mr. Guerra believes it should occur on a weekend, but not on the weekend of any network-critical holiday, such as Mother's Day, because the heavy call volumes during these periods could exacerbate customer impacts during the cutover to mandatory 10-digit dialing. For the same reason, Mr. Guerra advises mandatory 10-digit dialing should not commence, if at all possible, during the Christmas holiday season. Due to the sheer amount of network programming required by carriers with multiple central office switches and the finite supply of programmers, mandatory 10-digit dialing should not be implemented on the same weekend as any other mandatory dialing change.

For these reasons, on behalf of AT&T Indiana, Mr. Guerra recommended that the Commission adopt the Industry's unanimous consensus for an all-services distributed overlay relief plan for the 317 NPA, including the associated 13-month implementation period.

C. IBTA's Case-in-Chief. The IBTA sponsored the direct testimony and exhibit of Mr. Alan I. Matsumoto. Mr. Matsumoto's direct testimony described the Industry's consensus recommendation of an all-services distributed overlay of the 317 NPA as the preferred form of relief. The all-services distributed overlay would superimpose a new NPA over the same geographic area of the existing 317 NPA and all current customers would retain the 317 area code and keep their existing telephone numbers. One month after mandatory 10-digit dialing begins, new numbers may be assigned from the new overlay area code. Mr. Matsumoto noted that in accordance with FCC directives, customers would be required to dial the full 10-digits for all local calls both within and between the 317 NPA and the new NPA with the all-services distributed overlay. Mr. Matsumoto described the Industry's recommendation for a 13-month implementation period. Mr. Matsumoto testified that the IBTA supports the Industry's consensus recommendation for an all-services distributed overlay and the associated 13-month implementation period.

With all parties supporting the all-services distributed overlay as the appropriate form of relief for the 317 NPA, Mr. Matsumoto reiterated his recommendation for the all-services distributed overlay and respectfully requested that the Commission approve the consensus recommendation as the method for 317 NPA relief.

D. OUC's Case-in-Chief. The OUC sponsored the direct testimony of Mr. Ronald L. Keen. Mr. Keen testified the OUC participated in a number of meetings with Neustar and representatives of the Industry, both before and after NeuStar filed its Petition. The OUC also participated in the five public field hearings and reviewed public comments to identify any customer concerns and preferences among the area code relief options.

With respect to customer preference on the proposed all-services distributed overlay solution for 317 NPA relief, Mr. Keen noted the relatively low attendance at the public hearings and the small number of customers who submitted written comments, as an indication that consumers no longer view the choice between different forms of area code relief as a significant issue.

Mr. Keen identified a key reason customers might prefer the area code overlay as the ability for customers to keep their current telephone numbers, including their current area codes. He noted the importance to businesses and other institutional customers since an area code overlay allows them to avoid the inconvenience and expense of replacing current signage, revising current advertisements, purchasing new business stationery, sending change notices to customers, suppliers, business contacts and associates, or revising listings in local, national and global directories.

On behalf of the OUCC, Mr. Keen recommended that the Commission approve the proposed all-services fully-distributed area code overlay for the 317 area code and indicated it cost-effectively addresses the need for additional numbering resources while minimizing adverse impacts on affected communications service providers and their customers.

3. Commission Discussion and Findings.

A. Relief Alternatives for the 317 NPA. The Commission is persuaded by Mr. Milby's testimony that the Industry members thoroughly discussed the pros and cons of each alternative at the relief planning meetings to reach a consensus for the all-services distributed overlay. The Commission agrees with the Industry decision to eliminate Alternatives No. 2 and 3, the concentrated overlays, because these alternatives would require two rounds of customer education notices and two full relief efforts, thereby increasing the opportunity for customer confusion. For service providers that use one switch for multiple NPAs, the Industry noted a concentrated overlay is difficult to implement with complicated translations. Finally, the Industry expressed concerns with concentrated overlays because customers are not all treated equally due to the staggered implementation of 10-digit dialing.

Based on the record evidence, we are persuaded that the all-services distributed overlay permits customers to keep their existing telephone numbers and find that it is the best option for 317 NPA relief. We agree with the OUCC, AT&T Indiana, and the IBTA that the all-services distributed overlay minimizes the inconvenience, costs, and burdens on customers and service providers. Therefore, approve that the Industry's consensus recommendation of the all-services distributed overlay as the preferred means of relief for the 317 NPA.

B. Implementation Schedule. Mr. Milby testified that the Industry reached consensus on a 13-month schedule for implementing the all-services distributed overlay. He stated that the schedule includes recommended intervals for each implementation phase. According to Mr. Milby, the Industry recommended six months for network preparation and customer education followed by six months for permissive 10-digit dialing and continued customer education. Mandatory 10-digit dialing would begin at the end of the permissive dialing period. The first code activation for codes assigned from the new overlay NPA would take place one month after mandatory 10-digit dialing begins. Mr. Guerra outlined why the Industry endorsed 13-month implementation schedule was appropriate, noting that based on the Industry's past experience with implementing overlays, the recommended intervals for each implementation phase provide adequate time for preparation and customer education, resulting

in smooth implementation. Mr. Matsumoto also testified in support of the 13-month implementation period.

We agree with the Industry consensus that the 13-month schedule for implementing the all-services distributed overlay is appropriate. We note the Industry's recommended intervals for each implementation phase are based on its past experience with implementing overlays and therefore we approve the implementation schedule. With respect to Mr. Guerra's recommendations on the timing of the conversion to mandatory 10-digit dialing, we leave those considerations to the Industry implementation committee.

Further, we find it is appropriate for the Commission to be apprised of the progress of relief implementation as these procedures will potentially generate inquiries to the Commission. Therefore, we direct the Industry implementation committee to formulate an implementation plan describing at a high level the technical and communications aspects of implementation and to submit such a plan to the Commission and the OUCC within 60 days of the date of this Order.

C. Customer Education. We direct the Industry implementation committee to formulate a customer education plan for the implementation of the area code overlay for affected customers and to submit such a plan to the Commission and to the OUCC within 60 days of the date of this Order. This plan shall specifically include: best practices recommended by the Industry which are flexible enough to accommodate different types of communications service providers, and sufficiently robust to reach the multiple stakeholders impacted; clearly identified procedures and contacts within each company charged with responsibility of responding to customer area code questions, together with a means for communicating them to customers and other key stakeholders; and provisions by each company for direct communications with emergency dispatch operators.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. Consistent with the findings above, Neustar's Petition on behalf of the Indiana telecommunications industry for the consensus recommendation of an all-services distributed overlay of the 317 NPA as the preferred form of relief for the 317 NPA is approved.

2. Consistent with our findings above, the Industry's recommendation of a 13-month schedule for implementing the all-services distributed overlay is approved. The Industry implementation committee responsible for the implementation of such plan is directed to begin preparations for the implementation of this plan in accordance with the findings set forth herein.

3. We direct the Industry implementation committee to formulate an implementation plan describing at a high level the technical and communications aspects of implementation and to submit such a plan to the Commission and the OUCC within 60 days of the date of this Order.

4. We direct the Industry implementation committee to formulate a customer education plan for the implementation of the all-services distributed overlay for affected

customers and to submit such a plan to the Commission and to the OUCC within 60 days of the date of this Order.

5. This Order shall be effective on and after the date of its approval.

STEPHAN, HUSTON, WEBER, AND ZIEGNER CONCUR; MAYS-MEDLEY ABSENT:

APPROVED:

APR 08 2015

I hereby certify that the above is a true and correct copy of the order as approved.



Brenda A. Howe
Secretary to the Commission