



Federal Communications Commission
Washington, D.C. 20554

DA 00-1689

July 28, 2000

The Honorable John G. Strand
Chairman, Michigan Public Service Commission
6545 Mercantile Way
Lansing, Michigan 48909

The Honorable Robert B. Nelson
Commissioner, Michigan Public Service Commission
6545 Mercantile Way
Lansing, Michigan 48909

The Honorable David A. Svanda
Commissioner, Michigan Public Service Commission
6545 Mercantile Way
Lansing, Michigan 48909

Dear Commissioners Strand, Nelson and Svanda:

We were pleased to learn of the Michigan Legislature's recent grant of authority to the Michigan Public Service Commission (Michigan PSC) to exercise the authority it was delegated by the Federal Communications Commission (Commission) to implement area code relief in Michigan.¹ Specifically, the Michigan Telecommunications Act (Michigan Act) allows the Michigan PSC to "approve or deny a proposed addition, elimination, or modification of an area code in [Michigan]."² We are confident that the Michigan PSC will provide citizens of Michigan a meaningful opportunity to participate in choosing area code relief options in Michigan.

On February 16, 2000, you informed me that the Michigan statutes, then in effect, did not provide the necessary jurisdiction for the Michigan PSC to accept our delegation of area code authority. Because the industry had taken steps to implement area code relief in the state without approval of the area code relief plan by the Michigan PSC, we

¹ Under the Commission's rules, area code relief refers to the process by which central office codes are made available when there are few or no unassigned central office codes remaining in an existing area code and a new area code is introduced. 47 CFR § 52.7(b). State commissions have the authority to implement appropriate forms of area code relief, as delegated by the Commission in the *Local Competition Second Report and Order*. See *Implementation of the Local Competition Provision of the Telecommunications Act of 1996*, Second Report and Order and Memorandum Opinion and Order, 11 FCC Rcd 19392, 19512-16 (1996) (*Local Competition Second Report and Order*).

² Michigan Telecommunications Act, Section 303(4) (2000).

had requested that the North American Numbering Plan Administrator (NANP administrator) forward pending and future area code relief plans for Michigan to the Commission for review.³ NeuStar, Inc., in its role as the NANP administrator and acting on behalf of the Michigan telecommunications industry, petitioned the Commission for approval of the industry recommended area code relief plans in the 810,⁴ 734, 616, 517, 313, and 248 area codes.

As you are aware, the 810 area code went into jeopardy on April 2, 1999, and, per consensus of the Michigan telecommunications industry at the May 18, 1999 jeopardy planning meeting, an all-services distributed overlay code was recommended to serve the same geographic area as the 810 area code.⁵ The new area code was schedule to be implemented on May 6, 2000. The 616 area code was declared to be in jeopardy on November 29, 1999. On February 16, 2000, the industry reached consensus and recommended an all-services distributed overlay as the preferred means of relief for the 616 area code as well. The 734 area code is projected to exhaust during the second quarter of 2001. To allow sufficient time to prepare for area code relief and to prevent number exhaust, on July 14, 1999, the industry recommended an all-services distributed overlay as the preferred means of relief for the 734 area code. The 248 area code was declared to be in jeopardy on May 17, 1999. On July 14, 1999, the industry recommended an all-services distributed overlay as the preferred means of relief for the 248 area code. The 313 area code is projected to exhaust in the first quarter of 2002. On July 14, 1999, the industry recommended an all-services distributed overlay as the preferred means of relief for the 313 area code. The 517 area code was declared to be in jeopardy on May 17, 1999. On July 13, 1999, the industry recommended a geographic split⁶ as the preferred means of relief for the 517 area code.

Although the Commission is examining both short-term and long-term solutions to the problem of area code depletion and is attempting to identify ways in which numbers can be used more efficiently, we rely on state commissions to implement area code relief. Traditionally, when the supply of numbers available within an area code is

³ The NANP administrator assumed area code relief planning and central office code administration for area codes in Michigan beginning on February 20, 1998, and March 29, 1999, respectively. Prior to the enactment of the Telecommunications Act of 1996, state commissions approved plans developed and proposed by the local exchange carriers, as central office code administrators, for implementing new area codes.

⁴ On March 15, 2000, the NANP administrator petitioned the Commission for approval of the industry recommended area code relief plan in the 810 area code. On April 19, 2000, the NANP administrator supplemented its March 15, 2000 petition to include the following: 1) central office code activity in the 810 area code by rate center; 2) status of central office codes in the 810 area code, including those codes recently removed from protected/reserved status and returned to the pool of central office codes available for assignment; and 3) an excerpt from the NANP administrator's March 21, 2000 report to the North American Numbering Council (NANC) regarding the status of the 810 area code relief planning process, including the NANP administrator's letter dated March 3, 2000 notifying central office code holders in the 810 area code that the NANP administrator will not assign central office codes from the new overlay area code pending further direction from the Commission.

⁵ An area code overlay occurs when a new area code is introduced to serve the same geographic area as an existing area code.

⁶ A geographic split occurs when the geographic area served by an area code in which there are few or no central office codes left for assignment is split into two or more geographic parts.

estimated to exhaust during the planning horizon, some form of area code relief must be implemented so that customers in that area can continue to obtain the services they desire. Because we recognize that state commissions are uniquely positioned to understand local conditions and to ensure that the interests of consumers are addressed, we authorized the states to implement area code relief subject to the Commission's guidelines for numbering administration.⁷ The authority delegated to the states includes determination of the boundaries of a new area code; the implementation date for the new area code; directing public education efforts regarding area code changes; and the mechanism for introducing the new area code (*e.g.*, via an area code split, overlay, or a boundary realignment).⁸ Therefore, the Michigan PSC has the authority to implement appropriate forms of area code relief in Michigan.

State commissions were also delegated the authority to perform the functions associated with initiation and development of area code relief plans.⁹ We found that enabling states to initiate and develop area code relief plans was generally consistent with our delegation of new area code implementation matters to the state commissions based on their unique familiarity with local circumstances. We made this delegation, however, only to those states wishing to perform area code relief initiation and development. Because we recognized that many state commissions may not wish to perform these functions because the initiation and development of area code relief can require specialized expertise and staff resources and development that some state commission may not have, we required states seeking to perform any or all of these functions to notify the new NANP administrator within 120 days of the selection of the NANP administrator.¹⁰ The Michigan PSC did not notify the NANP administrator within 120 days of the selection of the NANP administrator, and therefore, the Michigan PSC does not have the authority to initiate and develop area code relief plans in Michigan. Thus, the NANP administrator will perform area code relief initiation and development functions in Michigan.

As earlier indicated, we are pleased that the Michigan legislature has granted authority to the Michigan PSC to implement area code relief. Enclosed please find the 810, 734, 616, 517, 313, and 248 area code relief petitions filed by the NANP

⁷ *Local Competition Second Report and Order*, 11 FCC Rcd 19392, 19512-16 (1996); *see also* 47 CFR § 52.19(a).

⁸ *See* 47 CFR § 52.19(a).

⁹ Such functions include declaring that the area code relief planning process should begin and developing the details of a proposed area code relief plan or plans. 47 CFR § 52.19(b).

¹⁰ On May 15, 1997, after evaluating bids from five interested parties, the NANC submitted to the Commission its recommendation that Lockheed Martin Communications Industry Services (CIS) be appointed to serve as the NANP administrator. In October 1997, the Commission accepted the recommendation of the NANC and selected Lockheed Martin CIS as the new NANP administrator, noting that it would perform the numbering administration functions previously performed by Bellcore, as well as area code relief initiation and planning and central office code administration previously performed by the incumbent LECs. Lockheed Martin CIS assumed the NANP administrator functions in February 1998. On November 17, 1999, the NANP administration functions were transferred to NeuStar, which now serves as the NANP administrator. *See Request of Lockheed Martin Corporation and Warburg, Pincus & Co. for Review of the Transfer of the Lockheed Martin Communications Industry Services Business*, Order, 14 FCC Rcd 19792 (1999).

administrator on behalf of the Michigan telecommunications industry. We ask that the Michigan PSC exercise the authority delegated to it and implement area code relief in Michigan. We encourage the Michigan PSC to work with the NANP administrator and the Michigan telecommunications industry immediately to ensure that area code relief in Michigan is implemented before telecommunications carriers in Michigan or their customers experience any adverse consequences from a lack of numbering resources. We ask that your office acknowledge receipt of this letter and accept our delegated authority to implement area code relief plans.

I am confident that, given the crucial nature of the task before the Michigan PSC, it will act expeditiously to address comprehensively the concerns of consumers regarding area code relief in Michigan. If you have additional questions regarding our role in numbering administration and area code relief, please contact Aaron N. Goldberger, an attorney in the Common Carrier Bureau's Network Services Division, at (202) 418-2320.

Sincerely,

A handwritten signature in black ink that reads "Yog R. Varma". The signature is written in a cursive style with a long horizontal line extending to the right.

Yog R. Varma
Deputy Bureau Chief
Common Carrier Bureau

cc: Ronald R. Conners, Director, North American Numbering Plan Administration
Kimberly D. Wheeler, Counsel to NeuStar, Inc.

Enclosures