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July 6, 1998

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RECORDS AND REPORTING

Ms. Blanca S. Bayó
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Rebuttal Testimony of Suzanne Brooks -- Docket No.
980671-TL

Dear Ms. Bayó:

Enclosed for filing on behalf of MCI Telecommunications Corporation and MCImetro Access Transmission Services, Inc. (collectively, "MCI") are the original and fifteen copies of Rebuttal Testimony of Suzanne Brooks

By copy of this letter, this document is being furnished to the parties on the attached service list.

Very truly yours,

Richard D. Melson

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cc: Parties of Record

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I HEREBY CERTIFY that a copy of the foregoing was furnished to the following parties by U.S. mail or Hand Delivery (*) this 6th day of July, 1998.

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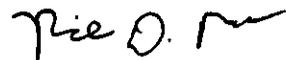
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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2 REBUTTAL TESTIMONY OF SUZANNE BROOKS
3 ON BEHALF OF MCI TELECOMMUNICATIONS CORPORATION AND
4 MCImetro ACCESS TRANSMISSION SERVICES, INC.

5 DOCKET No. 980671-TP

6 JULY 6, 1998

7
8 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

9 A. My name is Suzanne Brooks and my business address is 2250 Lakeside
10 Boulevard, Richardson, Texas, 75082.

11

12 Q. ARE YOU THE SAME SUZANNE BROOKS WHO FILED DIRECT
13 TESTIMONY ON BEHALF OF MCI IN THIS PROCEEDING?

14 A. Yes, I am.

15

16 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

17 A. The purpose of my rebuttal testimony is to address the statements filed in
18 the direct testimony of Allen Benson on behalf of BellSouth on June 12,
19 1998 in this proceeding.

20

21 Q. WHAT HAS BELLSOUTH PROPOSED IN THIS PROCEEDING?

22 A. BellSouth supports a single NPA overlay as a means for NPA relief for the
23 407 area code.

24

25 Q. WHY DO YOU OPPOSE THIS PROPOSAL?

- 1 A. Because MCI believes the primary objective of the Commission in this
2 proceeding should be to minimize the negative impacts on consumers
3 caused by the growth in demand for telephone numbers and BellSouth's
4 proposal will not accomplish this task.
5
- 6 Q. WHAT WILL ACCOMPLISH THE TASK OF MINIMIZING THE
7 IMPACT ON CONSUMERS CAUSED BY THE GROWTH IN THE
8 DEMAND FOR TELEPHONE NUMBERS?
- 9 A. MCI believes a geographic split combined with number conservation initiatives
10 will minimize the impact on consumers. Of the alternatives presented at the
11 March 31, 1998 industry meeting, MCI believes Alternative #4 is the least
12 objectionable.
13
- 14 Q. WHAT TYPES OF IMPACTS SHOULD THE COMMISSION
15 CONSIDER WHEN DECIDING WHICH ALTERNATIVE IS BEST
16 FOR THE ORLANDO AREA?
- 17 A. In selecting which area code relief alternative is best for the Orlando area,
18 the Commission should consider direct end user impacts, the impacts on
19 emerging local competition and the indirect impact on end users, and to
20 what extent, if any, negative impacts can be mitigated.
21
- 22 Q. WHAT ARE THE IMPACTS OF THE SPLIT AND OVERLAY
23 ALTERNATIVES ON END USERS?
- 24 A. Unfortunately, some end users will suffer some cost and disruption under
25 either the split or overlay alternatives, although the degree to which end

1 users are negatively impacted differs based on whether a split or overlay
2 alternative is selected.

3 The end user impacts of an overlay include: loss of all 7-digit local
4 dialing; loss of the ability to associate an area code with a unique
5 geographic area; confusion resulting from different area codes assigned in
6 the same home, business or neighborhood; cost for new advertising
7 materials to customers (throughout the overlay area) that currently use
8 their 7-digit number for advertising, stationery, etc., and cost to customers
9 (throughout the overlay area) to reprogram or replace automatic dialing
10 systems (e.g., home alarm and apartment security systems, elevator
11 emergency phones, etc.) that are currently programmed for 7-digits.
12 Further safety concerns are created during any period when such devices
13 are incorrectly programmed.

14 The end user impacts of an area code split include: need for
15 customers in a portion of the existing area code to change area codes;
16 some additional 10-digit dialing required for calling between the old and
17 new area codes; and cost to customers in the new area code to change
18 advertising, stationery, etc., to show the new area code.

19

20 Q. WHAT ARE THE IMPACTS OF THE SPLIT AND OVERLAY
21 ALTERNATIVES ON EMERGING LOCAL EXCHANGE
22 COMPETITION?

23 A. An overlay plan provides the incumbent LECs ("ILECs") an additional
24 advantage over new entrants because a disproportionate number of central

1 office codes (called “NXXs”) in the 407 area code have been assigned to
2 the ILECs.

3 The overlay plan would introduce a new, unfamiliar area code into
4 the area currently served by the 407 area code. Callers from within and
5 outside of Florida are accustomed to the 407 code, and recognize it as
6 being for the Orlando area. The new overlaid code, however, would not
7 be familiar, and would thus be less desirable than the existing area codes.
8 As a result, customers would be more likely to select a carrier that could
9 give them a number in the more desirable area code.

10 Currently, the vast majority of these more desirable NXXs in the
11 407 area code have been assigned to the ILECs (BellSouth, Sprint and
12 Vista United), so if an overlay is implemented, new competitive Local
13 Exchange Companies (“CLECs”) would be left to draw NXXs primarily
14 from the new, overlaid NPA. This system of NXX “have” and “have-
15 nots” is extremely anti-competitive, since it disproportionately affects
16 CLECs just as they are attempting to enter the local exchange market in
17 Orlando.

18 The FCC recognized this disadvantage in its *Second Report and*
19 *Order and Memorandum Opinion and Order*, CC Docket 96-98, August
20 8, 1996 (“*FCC Order*”). The FCC noted that incumbent LECs have an
21 advantage over new entrants when a new code is about to be introduced,
22 because they can “warehouse” NXXs in the old NPA. (*FCC Order* at
23 ¶289).

24

1 Q. HOW DOES THIS AFFECT EMERGING COMPETITION IN THE
2 ORLANDO LOCAL SERVICE MARKET?

3 A. This unfair situation will affect the potential for competition in Orlando in
4 several ways. CLECs will be unable to compete effectively in the growth
5 market for new lines, and for additional lines for fax machines, modems,
6 and the like. This market is explosive, and is a primary contributor to the
7 need for NPA relief at this time. Even though the scheduled local number
8 portability systems allow customers to switch to a CLEC without losing
9 their telephone number, these same customers will be less willing to use a
10 CLEC, even if the CLEC is less expensive or provides better service,
11 because the CLEC will only be able to install additional lines if the
12 customer uses the new, less desirable area code. This disparity between
13 NPAs can also impact the market for new customers, since new customers
14 may choose a carrier based on that carrier's ability to assign a number from
15 the better known area code. To the extent the development of local
16 competition is harmed, this also harms end users.

17
18 Q. DOES A GEOGRAPHIC SPLIT HAVE THIS SAME
19 DISPROPORTIONATE IMPACT ON CLECS?

20 A. No, a geographic spit affects all carriers equally. If a geographic split were
21 selected for the 407 area, all carriers would issue 407 numbers in the
22 remaining 407 area, and all carriers would issue numbers with the new area
23 code in the new area. Thus, all carriers have equal access to the same
24 numbering resource.

25

1 Q. WHY DOES MCI RECOMMEND A GEOGRAPHIC SPLIT FOR
2 ORLANDO?

3 A. MCI has consistently recommended geographic splits for area code relief,
4 because splits are usually less disruptive to consumers, and they do not
5 have the anti-competitive impacts on local competition that are present
6 with overlays. However, MCI recognizes that this Commission must
7 consider all the circumstances unique to Orlando to decide which relief
8 alternative is best at this time.

9 If the Commission chooses Alternative #1, an overlay, it is critical
10 that the Commission take steps to mitigate the anti-competitive impacts of
11 an overlay, and more efficiently use the limited number resource.

12

13 Q. WHAT STEPS CAN THE COMMISSION TAKE TO REDUCE THE
14 ANTI-COMPETITIVE IMPACTS OF AN OVERLAY?

15 A. If an overlay alternative is selected for the Orlando area, MCI urges the
16 Commission to establish the following conditions:

- 17 1) ensure that permanent local number portability, where requested,
18 on a going forward basis, meets the FCC established guidelines for
19 implementation,
- 20 2) require 10-digit dialing within and between all old and new area
21 codes (consistent with FCC order), and
- 22 3) establish a workshop or other appropriate process to make
23 recommendations to the Commission for further number
24 conservation mechanisms (e.g. Rate Center Consolidation,
25 Unassigned Number Porting and Number Pooling) for the Orlando

1 area, that ensures full utilization of the current numbering resource
2 and to further extend the life of this NPA relief option.

3

4 Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION
5 REGARDING AREA CODE RELIEF FOR THE ORLANDO AREA?

6 A. MCI respectfully requests that the Commission order a geographic split to
7 be implemented as the means for NPA relief for the 407 area code. As
8 stated above, a geographic split is clearly a more desirable solution than a
9 10 digit overlay. A split with its competitive and consumer advantages
10 should be implemented. If, however, the Commission decides that an
11 overlay will best serve the needs of customers and competition in the 407
12 NPA, MCI requests that the Commission require Local Number Portability
13 and 10 digit dialing be implemented according to FCC requirements and
14 that all technologically feasible steps be investigated in order to conserve
15 numbering resources.

16

17 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

18 A. Yes, it does.

19

20

21

22

23

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25