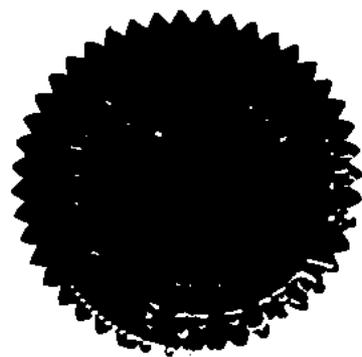


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of
Request for review of
proposed numbering plan
relief for 813 area
code.

DOCKET NO. 980048-TL



VOLUME 2

AFTERNOON SESSION

Pages 170 through 354

PROCEEDINGS: HEARING

BEFORE. CHAIRMAN JULIA L. JOHNSON
COMMISSIONER J. TERRY DEASON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER JOE GARCIA
COMMISSIONER E. LEON JACOBS, JR.

DATE: Tuesday, February 24, 1998

TIME: Commenced at 2:30 p.m.
Concluded at 5:25 p.m.

PLACE: Robert J. Arenal Conference Center
Hillsborough County Center
601 East Kennedy Boulevard
26 Floor
Tampa, Florida

REPORTED BY: JOY KELLY, CSR, RPR
Chief, Bureau of Reporting
Official Commission Reporter

APPEARANCES: (As heretofore noted.)

DOCUMENT CONTROL CASE
02751, FEB 27 98

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P R O C E E D I N G S

(Hearing reconvened at 2:30 p.m.)

CHAIRMAN JOHNSON: We're going to reconvene our hearing. I understand that GTE's witness is prepared to begin testifying.

Now, were all of the witnesses that are going to testify in the technical portion of the hearing present this morning and were they all sworn in? No. Okay. If we could, at this time if you're going to testify, stand and raise your right hand.

(Witnesses collectively sworn.)

CHAIRMAN JOHNSON: Thank you. You may be seated. Counsel, are there any other preliminary matters?

MS. BROWN: There are a couple of preliminary matters, Madam Chairman, from this morning, and involving just the technical hearing. One is the Senator Latvala's testimony.

MR. BECK: Chairman Johnson, I've spoken with counsel for all sides and everybody agreed to allowed Senator Latvala's testimony to be moved into the record as though read, along with his exhibit, and they agreed it could be placed in the record without him present and testifying.

CHAIRMAN JOHNSON: Okay, Mr. Beck. Is it

1 appropriate to do that at this point in time or do we
2 wait until it comes up in the natural course of
3 testimony?

4 MS. BROWN: We can do it either way.

5 CHAIRMAN JOHNSON: We can go ahead and do it
6 now.

7 MR. BECK: It's so moved.

8 MS. BROWN: We will need to mark his
9 exhibit.

10 CHAIRMAN JOHNSON: Show Senator Latvala's
11 written testimony inserted into the record as though
12 read, and the exhibits -- we have some documents that
13 we've asked to be put on the correspondence side of
14 the record, but this will be the exhibit. Short
15 title?

16 MR. BECK: "Statement of Senator Latvala."

17 CHAIRMAN JOHNSON: We'll name that
18 "Statement of Senator Latvala" and mark it Exhibit 1.

19

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1 **DIRECT TESTIMONY**
2 **OF**
3 **SENATOR JACK LATVALA**

4
5 **BEFORE THE**
6 **FLORIDA PUBLIC SERVICE COMMISSION**
7 **DOCKET NO. 980048-T1**

8
9
10 **Q. Please state your name and position.**

11 **A. My name is Jack Latvala, and I represent District 19 in the Florida Senate**

12
13 **Q. Do you receive telephone service from GTE Florida?**

14 **A. I have been a GTE customer almost all of my life. I grew up in Polk County**
15 **with GTE and the 813 area code. I currently reside in Palm Harbor and**
16 **continue to receive telephone service from GTE.**

17
18 **Q. What is the purpose of your testimony?**

19 **A. The purpose of my testimony is to address the proposal by GTE to**
20 **implement an overlay area code plan for the 813 area code. I conclude that**
21 **the interests of the citizens residing within the 813 area code will be better**
22 **served by implementing a geographic split to provide additional numbers in**
23 **the area.**

24

25

1 **Q. Do you have any observations about the Tampa Bay area?**

2 **A. The Tampa Bay area as a whole, and particularly Pinellas and Pasco**
3 **Counties, has one of the highest concentrations of retirees and elderly**
4 **citizens in Florida.**

5

6 Pinellas County and West Pasco County also do not have the growth rates
7 of many areas of Florida. According to the Pinellas Planning Department,
8 Pinellas County is approximately 91% built-out. There is virtually no room
9 left to construct new housing. Projected growth in Pinellas' population over
10 the next 10 years is only 8%. In this respect, it is very similar to the
11 situation the Commission confronted in Monroe County, where there was
12 little room for growth. With relatively slower growth in housing and
13 population than in other areas of Florida, there may be slower growth in
14 telephone numbers and less of a need for additional telephone numbers in
15 the future.

16

17 **Q. What are your concerns with the overlay area code proposal of GTE?**

18 **A. An overlay area code plan will require the citizens of Tampa Bay to dial ten**
19 **digits for all local calls, whether calling next door or across town. Mandatory**
20 **ten digit dialing, along with the existence of two area codes serving the same**
21 **geographic area, will be very confusing and inconvenient for everyone.**

22

23 **People in the same neighborhood could have different area codes. In fact,**
24 **a person with two lines in their house could wind up having one line with the**

25

1 813 area code and the second line with the new area code. This same
2 problem would confront businesses, where some lines could be in one area
3 code and other lines in another area code, resulting in confusion to their
4 customers.

5

6 Unless absolutely necessary, the Commission should be hesitant to impose
7 unnecessary inconvenience and confusion on consumers. The high
8 concentration of retirees and elderly in the area makes this even more
9 important.

10

11 **Q. Are you aware of any other problems with the overlay area code plan?**

12 **A. Yes.** When I attended the public workshop in Tampa, a number of persons
13 representing alarm monitoring companies testified about the hardship they
14 and their customers would endure with an overlay area code plan. I
15 understand that in some cases, with mandatory ten digit local dialing, they
16 would have to reprogram equipment located on the customer's premise. In
17 other cases, with equipment installed many years ago, they would not be
18 able to reprogram the equipment to make the ten digit local calls. In those
19 cases new equipment would have to be installed that could cost customers
20 several hundred dollars.

21

22 **Q. Do you believe the overlay plan is appropriate for the 813 area code?**

23 **A. An overlay area code should only be use as a last resort when there is no**
24 **practical means of implementing a geographic split. This occurred in Miami,**

25

1 **where there was no sensible geographic split available** In the Tampa Bay
2 **area, however, there are a number of very practical ways to divide the area**
3 **geographically**

4

5 **There are also significant demographic differences between the Tampa Bay**
6 **area and the metropolitan Miami area** I believe we have a greater
7 **proportion of retirees and elderly in the Tampa Bay area than in the**
8 **metropolitan Miami area** The impact of mandatory ten digit dialing would be
9 **particularly difficult on this segment of our population**

10

11 **Q. Have you prepared a statement concerning the 813 area code?**

12 **A. Yes.** I have attached a position statement to this testimony as exhibit A I
13 would like to personally deliver this statement at the hearing scheduled for
14 February 24, 1998

15

16 **Q. What is your recommendation to the Commission?**

17 **A.** I recommend that the Commission implement a geographic split to provide
18 numbering relief for the 813 area code

19

20 **Q. Does that conclude your testimony?**

21 **A. Yes.**

22

23

24

25

1 **MS. BROWN:** Chairman Johnson, we also have a
2 official recognition list that we would like to have
3 marked as a composite exhibit to be introduced into
4 the record, which we can do now or later as you
5 choose. All of the parties have a copy of it. It
6 includes 14 orders, seven FPSC orders and seven FCC
7 orders, and I won't read them all.

8 **CHAIRMAN JOHNSON:** Okay. Ms. Brown, you'd
9 like to have this marked as an exhibit?

10 **MS. BROWN:** Yes.

11 **CHAIRMAN JOHNSON:** We'll mark the Official
12 Recognition List as Exhibit 2.

13 **MS. BROWN:** And I think that's all -- excuse
14 me.

15 **CHAIRMAN JOHNSON:** And we'll take official
16 recognition of the orders that are stated on
17 Exhibit 2.

18 **MS. BROWN:** Thank you.

19 (Exhibits 1 and 2 marked for
20 identification.)

21 **CHAIRMAN JOHNSON:** Any other preliminary
22 matters?

23 **MS. BROWN:** AT&T has one preliminary matter.
24 It's regarding Issue 2, the dialing pattern,
25 and although Mr. Smith will not be testifying about a

1 dialing pattern, I'd like to clarify AT&T's position
2 as shown in the Prehearing Statement.

3 When I read it over it confused me, so I
4 thought perhaps I should clarify it for you because
5 you will not be having any testimony on our position.
6 And I think the easiest way to clarify it right now is
7 that AT&T will agree with MCI on the dialing pattern.

8 **CHAIRMAN JOHNSON:** Okay. Then we'll note
9 that for the record.

10 **MS. RULE:** Thank you.

11 **CHAIRMAN JOHNSON:** Are there any other
12 preliminary matters?

13 **MS. BROWN:** I don't think so, Chairman
14 Johnson.

15 **CHAIRMAN JOHNSON:** Seeing none. GTE.

16

- - - - -

17

BEVERLY Y. MENARD

18 was called as a witness on behalf of GTE Florida
19 Incorporated and, having been duly sworn, testified as
20 follows:

21

DIRECT EXAMINATION

22 **BY MS. CASWELL:**

23 **Q** Ms. Menard, can you state your name and
24 business address for the record, please?

25 **A** My name is Beverly Y. Menard. My business

1 address is One Tampa City Center, Tampa, Florida
2 33601-0110.

3 Q By whom are you employed and in what
4 capacity?

5 A I'm employed by GTE Service Corporation as
6 Regional Director, Regulatory and Industry Affairs.

7 Q Did you file direct testimony in this
8 proceeding?

9 A Yes, I did.

10 Q Did that direct testimony have a attached to
11 it one exhibit labeled BYM-1 which is five pages long?

12 A Yes, it did.

13 Q Do you have any changes to your direct
14 testimony or the exhibit?

15 A No, I do not.

16 Q So if I ask you those questions today your
17 answers would remain the same?

18 A Yes.

19 MS. CASWELL: Chairman Johnson, I would ask
20 that Ms. Menard's direct testimony be inserted into
21 the record as though read.

22 CHAIRMAN JOHNSON: It will be so inserted.

23 MS. CASWELL: Thank you.

24

25

1 **GTE FLORIDA INCORPORATED**
2 **TESTIMONY OF BEVERLY Y. MENARD**
3 **DOCKET NO. 980048-TL**
4

5 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND**
6 **POSITION WITH GTE.**

7 **A. My name is Beverly Y. Menard. My business address is One**
8 **Tampa City Center, Tampa, Florida 33601-0110. My current**
9 **position is Regional Director - Regulatory and Industry Affairs and**
10 **I am employed by GTE Service Corporation.**

11

12 **Q. WILL YOU BRIEFLY STATE YOUR EDUCATIONAL BACKGROUND**
13 **AND BUSINESS EXPERIENCE?**

14 **A. I joined GTE Florida (GTEFL) in February 1969. I was employed**
15 **in the Business Relations Department from 1969 to 1978, holding**
16 **various positions of increasing responsibility, primarily in the area**
17 **of cost separations studies. I graduated from the University of**
18 **South Florida in June of 1973 receiving a Bachelor of Arts Degree**
19 **in Business Administration with an Accounting Major.**
20 **Subsequently, I received a Master of Accountancy Degree in**
21 **December of 1977 from the University of South Florida. In March**
22 **of 1978, I became Settlements Planning Administrator with GTE**
23 **Service Corporation. In January of 1981, I was named**
24 **Manager-Division of Revenues with GTE Service Corporation,**
25 **where I was responsible for the administration of the GTE division**

1 of revenues procedures and the negotiation of settlement matters
2 with AT&T. In November of 1981, I became Business Relations
3 Director with GTEFL. In that capacity, I was responsible for the
4 preparation of separations studies and connecting company
5 matters. Effective February 1987, I became Revenue Planning
6 Director. In this capacity, I was responsible for revenue, capital
7 recovery and regulatory issues. On October 1, 1988, I became
8 Area Director - Regulatory and Industry Affairs. In that capacity,
9 I was responsible for regulatory filings, positions and industry
10 affairs in eight southern states plus Florida. In August 1991, I
11 became Regional Director Regulatory and Industry Affairs for
12 Florida. I am responsible for regulatory filings, positions and
13 industry affairs issues in Florida.

14

15 **Q. HAVE YOU EVER TESTIFIED BEFORE THE FLORIDA PUBLIC**
16 **SERVICE COMMISSION?**

17 **A. Yes. I have testified before this Commission on numerous**
18 **occasions.**

19

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
21 **DOCKET?**

22 **A. The purpose of my testimony is to present GTEFL's position on**
23 **the appropriate relief for the 813 area code. In addition, I will**
24 **address the dialing patterns that should be utilized in the 813 area**
25 **code.**

1 Q. SHOULD THE COMMISSION APPROVE THE OVERLAY PLAN FOR
2 THE 813 AREA CODE RELIEF?

3 A. Yes. As discussed in the testimony of Mr. Gancarz, this was the
4 relief that was unanimously approved by the current code holders
5 in the 813 area code.

6

7 Q. WHY DOES GTE SUPPORT THE OVERLAY PLAN?

8 A. GTE believes that the overlay is the least disruptive and most
9 long-term solution for this area. I believe that the 813 area code
10 already covers the smallest geographic area in Florida. In
11 addition, GTE and most of its customers consider this area as one
12 metropolitan area. The vast majority of the calls within the 813
13 area code are dialed on a seven digit basis.

14

15 Q. WHY ARE SO MANY CALLS DIALED ON A SEVEN DIGIT BASIS?

16 A. The Tampa to St. Petersburg/Clearwater areas were the first areas
17 of the state converted to Extended Calling Service (ECS). In this
18 case, the traffic patterns met the Commission's EAS community
19 of interest rule requirements for aggregate calling per main station
20 but did not meet the required distribution of calling across all
21 subscribers to warrant flat rate EAS service. In addition, we had
22 numerous customer requests to find a solution which would allow
23 all Tampa/St. Petersburg/Clearwater customers who flew into the
24 Tampa airport to be able to make a call home by dialing on a
25 seven-digit basis and for the price of a local coin call.

1 **Because the calling levels were significant, though not satisfying**
2 **the EAS rule, it was apparent to GTE, as well as the Commission**
3 **at that time, that a seven digit, local calling plan should be**
4 **introduced for this area. The first ECS routes were implemented**
5 **in March 1992. As a result of the Commission's decision to**
6 **implement ECS and to not allow toll competition on the ECS**
7 **routes, the Commission Order was appealed to the Florida**
8 **Supreme Court. The Florida Supreme Court upheld the**
9 **Commission's decision to deny toll competition on these routes.**

10

11 **Q. ARE THERE ADDITIONAL REASONS WHY GTE SUPPORTS THE**
12 **OVERLAY PLAN?**

13 **A. Due to the concentrated area in the 813 area code, and the local**
14 **calling areas in place, GTE does not believe there is any**
15 **geographic split which will not cause confusion on the appropriate**
16 **dialing patterns. One half of the customers will be required to**
17 **make a number change and cellular phones will have to be**
18 **reprogrammed in the event of a geographic split.**

19

20 **In addition, if a geographic split is implemented at this time, there**
21 **is no geography left for any logical, further subdivision of this**
22 **area. Therefore, GTE believes that an overlay will be inevitable**
23 **along with ten-digit dialing.**

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Q. WHAT SHOULD THE DIALING PATTERN BE FOR LOCAL CALLS?

A. If the overlay is implemented, all local calls would be dialed on a ten-digit basis. If a geographic split is implemented, some local calls should be dialed on a ten-digit basis.

Q. WHY SHOULD ANY LOCAL CALLS BE DIALED ON A TEN DIGIT BASIS WHEN YOU IMPLEMENT A GEOGRAPHIC SPLIT?

A. Due to the local/EAS/ECS calling areas and concentrated area in the 813 area code, there is no dividing line which will not split some local calling area. Exhibit No. BYM-1 shows the proposed dialing patterns for the overlay and the various geographic split options presented in Mr. Gancarz's testimony.

Q. WHAT ARE THE INDUSTRY GUIDELINES ON LOCAL CALLING BETWEEN DIFFERENT AREA CODES?

A. The industry guidelines state that inter-NPA calls should be done on a ten-digit basis to insure against code conflicts and inefficient usage of NXXs. Of course, with an overlay, these code conflicts are not present.

Q. WHAT SHOULD THE DIALING PATTERN BE FOR TOLL CALLS?

A. GTE completed the conversion for intraLATA equal access in February 1997. The dialing pattern for the toll routes shown in Exhibit No. BYM-1 will continue to be 1 + 10 digits regardless of

1 the relief plan which is implemented. Customers are also able to
2 dial calls on these routes on a 10XXX basis.

3

4 **Q. WHAT SHOULD THE DIALING PATTERN BE FOR EAS CALLS?**

5 **A. If the overlay is implemented, all EAS calls would be dialed on a**
6 **ten-digit basis. If a geographic split is implemented, some EAS**
7 **calls should be dialed on a ten-digit basis as shown in Exhibit No.**
8 **BYM-1.**

9

10

11 **Q. WHAT SHOULD THE DIALING PATTERN BE FOR ECS CALLS?**

12 **A. If the overlay is implemented, all ECS calls would be dialed on a**
13 **ten-digit basis. If a geographic split is implemented, some ECS**
14 **calls should be dialed on a ten-digit basis and some could remain**
15 **on a seven-digit basis as shown in Exhibit No. BYM-1.**

16

17 **Q. HAS THE COMMISSION MADE A DECISION ON THE LONG-TERM**
18 **DIALING PATTERNS IN FLORIDA WHICH DETERMINES THE**
19 **DIALING PATTERNS FOR ECS CALLS?**

20 **A. No. The Commission did initiate an investigation on dialing**
21 **patterns in Docket No. 960090-TP. The Commission issued an**
22 **Order on April 25, 1996 which affected a number of BellSouth**
23 **routes.**

24

25

1 **Q. WHAT WAS THE COMMISSION'S RECOMMENDATION FOR THE**
2 **DIALING PATTERN FOR ECS CALLS IN THE LONG TERM?**

3 **A. The recommendation was to dial all ECS calls on a 1 + 10 digit**
4 **basis.**

5

6 **Q. DO YOU SUPPORT THIS RECOMMENDATION FOR THE ECS**
7 **ROUTES WITHIN THE 813 AREA CODE?**

8 **A. No. The decision in the BellSouth case was prior to the**
9 **introduction of intraLATA presubscription. In addition, the**
10 **BellSouth ECS routes in that docket were all routes where toll**
11 **competition was allowed.**

12

13 **Q. WHAT OTHER CONCERNS DO YOU HAVE WITH THE**
14 **RECOMMENDATION FOR 1 + 10 DIGIT DIALING FOR ECS CALLS?**

15 **A. With the implementation of intraLATA presubscription, when a**
16 **customer dials the digit "1", the call is transported by the**
17 **customer's chosen carrier. In the BellSouth case, if a customer**
18 **wants ECS on an intraLATA route with toll competition, the**
19 **customer must choose its serving LEC as his presubscribed**
20 **carrier. A customer can not presubscribe to a carrier other than**
21 **his serving LEC in order to get ECS.**

22

23 **On local-only ECS routes, we would be disturbing the basic**
24 **premises of intraLATA presubscription if we were to implement**
25 **1 + 10 digit dialing on these routes with all ECS calls being routed**

1 to GTE instead of the presubscribed carrier. It would also create
2 customer confusion as to why GTE was handling these calls
3 instead of their presubscribed carrier. In addition, GTE's billing
4 system will not recognize a 1+ call as local ECS. Since
5 IntraLATA presubscription had not been implemented at the time
6 of the BellSouth Order and no discussion was held relative to local
7 ECS routes, GTE does not believe this area was addressed in the
8 prior docket.

9

10 **Q. WOULD YOU PLEASE SUMMARIZE WHY GTE SUPPORTS THE**
11 **OVERLAY PLAN?**

12 **A. Yes. The overlay plan is the best method to provide uniformity**
13 **and consistency throughout the metropolitan area. It avoids the**
14 **confusion of having different dialing patterns for the same type of**
15 **call in an area where people live and work between the**
16 **communities.**

17

18 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

19 **A. Yes, it does.**

20

21

22

23

24

25

1 **Q** (By Ms. Caswell) Could you please give us
2 a brief summary of your testimony.

3 **A** The purpose of my testimony is to address
4 GTE's position on the appropriate relief for the 813
5 area code and discuss the dialing patterns that should
6 be used in the 813 area code.

7 GTE supports the unanimous decision of the
8 codeholders to implement an overlay area code of 727
9 for the 813 area code. Three options for a geographic
10 split were examined. Due to the local calling plans
11 in the Tampa Bay area, there is no geographic split
12 which will not result in 10-digit dialing being
13 required for a significant volume of traffic.
14 Therefore, GTE believes the overlay is the least
15 disruptive and most long-term solution for this area.
16 No customers will be required to make a number change,
17 and cellular phones will not have to be reprogrammed.

18 If an overlay is implemented, the dialing
19 pattern for all local extended area service, or EAS,
20 and extended calling service, or ECS calls, would be
21 10 digits. If a geographic split is implemented, I
22 have a exhibit in my testimony outlining which areas
23 could still be dialed on a 7-digit basis, and which
24 areas require 10-digit dialing.

25 Whether or not an overlay is implemented,

1 GTE does is not support dialing ECS calls on a 1-plus
2 10-digit basis. The ECS routes within at 813 area
3 code are all local calls and toll competition is not
4 allowed on these routes. With the implementation of
5 intraLATA presubscription normally when the customer
6 dials the digit, the digit 1, the call is transported
7 by the customer's chosen carrier. On local-only ECS
8 routes, we would be disturbing the basic premises of
9 intraLATA presubscription if we were to implement
10 1-plus 10-digit dialing on these routes with all ECS
11 calls being routed to GTE instead of the presubscribed
12 carrier. In addition, GTE's billing system will not
13 recognize a 1-plus call as local ECS.

14 In summary, the overlay plan is the best
15 method to provide uniformity and consistency
16 throughout the metropolitan area. It avoids the
17 confusion of having different dialing patterns for the
18 same type of call in an area where people live and
19 work between the communities. Mr. Gancarz will be
20 testifying as to GTE's role as the administrator,
21 code administrator, for the area and what that
22 involved. And at the appropriate time, if questions
23 are asked, I will respond to the allegations that I've
24 lied and not followed the guidelines and any questions
25 that the Commissioners may have on ECS calls and code

1 conservation.

2 MS. CASWELL: Thank you. Ms. Menard is
3 available for cross.

4 CHAIRMAN JOHNSON: Ms. Caswell, the
5 exhibits. I didn't mark those.

6 MS. CASWELL: Yes. I guess we would need
7 the Exhibit BYM-1 marked as Exhibit 3.

8 CHAIRMAN JOHNSON: Okay. We will mark
9 that -- was that it, just the one?

10 MS. CASWELL: Yeah. There's one, the
11 Gancarz.

12 CHAIRMAN JOHNSON: That's what I was
13 confusing. We'll mark that as Exhibit 3.

14 (Exhibit 3 marked for identification.)

15 COMMISSIONER GARCIA: Ms. Menard, do you
16 have the exhaust dates on the different plans that
17 we've looked at?

18 WITNESS MENARD: Yes.

19 COMMISSIONER GARCIA: Could we just go
20 through -- since we've got them here, could we just go
21 through them 1, 2, 3, 4, just so it will be easier for
22 her later on to come back to it and -- what is the
23 exhaust date on the Option 1, which is the one that
24 GTE favors.

25 WITNESS MENARD: Six to eight years.

1 **COMMISSIONER GARCIA:** And then Option 2, how
2 fast does Pinellas run out?

3 **WITNESS MENARD:** Seven to nine years.

4 **COMMISSIONER CLARK:** Wait, wait, wait.
5 You're on Option 2?

6 **COMMISSIONER GARCIA:** Option 2. I'm glad
7 you said "wait, wait, wait" because I was writing on
8 the wrong -- seven to nine on the Pinellas?

9 **WITNESS MENARD:** Yes --

10 **COMMISSIONER GARCIA:** -- part of it.

11 **WITNESS MENARD:** And three to five years on
12 the Hillborough-Pasco.

13 **COMMISSIONER CLARK:** I'm sorry. Say that
14 again. It could be.

15 **WITNESS MENARD:** Seven to nine years for the
16 Pinellas side, and three to five years for the
17 Hillborough side.

18 **COMMISSIONER GARCIA:** That would meet the
19 criterion; if we were to change Pinellas's number, it
20 comes within the criterion in the sense they'd wait at
21 least seven to nine years.

22 **COMMISSIONER CLARK:** No, it wouldn't,
23 because the others --

24 **WITNESS MENARD:** The basic guidelines are
25 eight to ten years --

1 **COMMISSIONER GARCIA:** Yeah, but the other
2 one is not changing.

3 **WITNESS MENARD:** And what I would say before
4 when we give you all of these numbers, which you have
5 to remember is in 1996 we split 813. It was
6 anticipated it would last until 2002.

7 **COMMISSIONER GARCIA:** What year was it
8 split?

9 **WITNESS MENARD:** 1996.

10 **COMMISSIONER GARCIA:** 1986?

11 **WITNESS MENARD:** '96. Two years ago we
12 split and it was anticipated it would last until 2002.

13 **COMMISSIONER JACOBS:** The remaining 813
14 would last, not the --

15 **WITNESS MENARD:** No. This area would last
16 until 2002 before we would need any relief; the 813
17 area code.

18 **COMMISSIONER GARCIA:** Plan 3.

19 **COMMISSIONER CLARK:** Joe, can I interrupt
20 for just a minute? Does it make a difference if -- in
21 the terms of exhaust if Pinellas retains 813 or gets
22 727?

23 **WITNESS MENARD:** As far as exhausting, no.
24 The question is the guidelines, on any of the plans
25 Hillborough would drastically violate the guidelines

1 if they took the new code because we'll need relief
2 sooner in Hillsborough.

3 **COMMISSIONER CLARK:** I'm sorry, that doesn't
4 make sense to me from this standpoint --

5 **WITNESS MENARD:** What the guidelines are
6 anticipated to do, number one, that the area that has
7 the most NXXs assigned keeps the existing code and the
8 area that has the least number makes the change on the
9 anticipation that that area would go longer before
10 they'd need to change again.

11 **COMMISSIONER CLARK:** Okay.

12 **WITNESS MENARD:** But as far as whether
13 Hillsborough has 813 or Pinellas has 813, it doesn't
14 impact the exhaust dates for those areas. The exhaust
15 dates are based on how many codes are in an NPA and
16 how many you're already using and how many you get
17 when we put a new code in.

18 **COMMISSIONER CLARK:** Okay.

19 **COMMISSIONER GARCIA:** Option 3.

20 **WITNESS MENARD:** On Option 3, Pinellas is
21 six to eight years, and Hillsborough is four for six
22 years.

23 **COMMISSIONER GARCIA:** And then the final
24 one?

25 **WITNESS MENARD:** Six to eight years for

1 Pinellas, and five to seven years for Hillborough.

2 **CHAIRMAN JOHNSON:** Any other questions? Is
3 it witness available for cross?

4 **MS. CASWELL:** Oh, yes, I'm sorry.

5 **CHAIRMAN JOHNSON:** Start with MCI.

6 **MR. BOND:** Good afternoon. MCI has no
7 questions.

8 **MS. RULE:** No questions from AT&T.

9 **CHAIRMAN JOHNSON:** Mr. Beck.

10 **MR. BECK:** Thank you, Chairman Johnson, I do
11 have some questions.

12 **CROSS EXAMINATION**

13 **BY MR. BECK:**

14 **Q** Ms. Menard, let me ask you about three
15 different references in your testimony and in your
16 deposition which the Staff intends to put into
17 evidence.

18 The first is on Page 4 of your prefiled
19 testimony, Line 16 through 17. As one of the reasons
20 for supporting the overlay plan at Line 16 you state
21 that one-half of customers would be required to make a
22 number change. That's referring to the geographic
23 split there; is that correct?

24 **A** That's correct.

25 **Q** Then in your deposition on Page 12, Lines 1

1 and 2, when referring to what you see as one of the
2 benefits of the overlay plan you say the fact that no
3 one has to change their number; do you see that?

4 A Yes.

5 Q Then on Page 15 of your deposition at
6 Line 19, you say that there are a lot of business
7 customers who don't want a number change.

8 Each of those three instances I've cited to
9 you, you've referred to the area code as making a
10 number change; is that right?

11 A When I consider my telephone number, my
12 telephone number at my office is 813-483-2526. It's a
13 10-digit number. If Hillsborough County were to get
14 the new area code, my number would now be
15 727-483-2526. Anyone that is calling me from anywhere
16 outside of the Tampa Bay area has got to dial a
17 different number because of the area code. I consider
18 the area code as part of my 10-digit number.

19 Q Do you think it's misleading to the public
20 to say that an area code change is equivalent to a
21 number change?

22 A As far as people needing to contact that
23 person outside of this area, it is a number change,
24 and I look upon the number as a 10-digit number.

25 Q Have you had discussions with others at GTE

1 as a strategy decided to call the area code change a
2 number change?

3 A No.

4 Q Let me refer you to Page 3 of your prefiled
5 testimony, and beginning at Lines 9 and 10, one of the
6 reasons you provide for supporting the overlay plan is
7 that you believe that the 813 area code already covers
8 the smallest geographic area in Florida; is that
9 right?

10 A That's correct.

11 Q And I get the reason for that is if it's
12 already the smallest you wouldn't want to subdivide it
13 as your reasoning; is that correct?

14 A That is correct.

15 Q Broward County is an area code in itself, is
16 it not?

17 A I discovered that after I filed the
18 testimony. I still believe it is one of the
19 smallest -- it may not now be the smallest; it's the
20 second smallest.

21 Q What research or investigation did you do
22 before filing your testimony?

23 A I looked at a map of the area codes and,
24 unfortunately, it did not have the 954 showing Broward
25 County on the map I looked at at that point.

1 **MR. BECK:** Madam Chairman, I have an exhibit
2 I'd like to pass out. (Hands document to witness.)

3 I'd like to ask the Commission to take
4 official recognition of the square miles of Broward,
5 Hillborough, Pasco and Pinellas Counties. And I've
6 handed out this exhibit that would permit the
7 Commission to take official recognition of those
8 items.

9 **CHAIRMAN JOHNSON:** Do you want us to mark
10 this as an exhibit also?

11 **MR. BECK:** Then it would be helpful to have
12 that as an exhibit.

13 **CHAIRMAN JOHNSON:** I'll mark this as
14 Exhibit 4, "Excerpts from 1997 Florida Statistical
15 Abstract," and seeing no objection, we'll take
16 official recognition of the information contained.

17 (Exhibit 4 marked for identification.)

18 **Q** (By Mr. Beck) Ms. Menard, do you have that
19 exhibit in front of you?

20 **A** Yes, I do.

21 **Q** You see for that for Broward County, which
22 is an area code by itself, it says for land area
23 Broward County has 1,208.9 square miles?

24 **A** I see that number, yes.

25 **Q** And they also give the total land and water

1 area as well, do they not?

2 A Yes, I believe they do.

3 Q Okay. Now, if you look at Hillsborough
4 County, compared to Broward's 1,208, Hillsborough has
5 1,051 square miles; is that right?

6 A That is correct.

7 Q And Pinellas has 280.2 square miles?

8 A I see that.

9 Q So would you agree that Hillsborough and
10 Pinellas alone have more square miles than does
11 Broward County?

12 A I'd agree with that.

13 Q In fact, the 813 area code includes quite a
14 bit more than just Hillsborough and Pinellas County,
15 does it not?

16 A It includes a portion of Pasco. It would
17 not include all of the number for Pasco because a
18 great portion of Pasco is in Bell's territory.

19 Q So would you agree now that the 813 does not
20 cover the smallest geographic area in Florida as you
21 stated in your prefiled testimony?

22 A I would agree. And as I said earlier, I now
23 feel that it's probably the second smallest.

24 Q And what research did you do to back that
25 up?

1 A Looking at the current map of the 813 area
2 codes.

3 Q Just visually looking at a map?

4 A Yes.

5 Q If the Commission goes to a geographic
6 split, all of the proposals have Pinellas and
7 Hillsborough counties with different area codes; is
8 that right?

9 A That's correct.

10 Q You see that as dividing the Bay area,
11 something that is undesirable; is that correct?

12 A That's correct.

13 Q Could you also see from a customer's
14 viewpoint that it might give them more information
15 about where they are calling, and in that respect be a
16 positive aspect of the geographic split?

17 A For some customers that's correct. The
18 whole reason why we we put in ECS, though, was that
19 the customer said they wanted to be able to have
20 cheaper calling, they considered it a local community,
21 they wanted to be able to go to the airport, be able
22 to dial the same digits to dial for Pinellas to be
23 picked up as they did for Hillsborough, and those are
24 the reason why we put in ECS, was because everybody
25 wanted 7-digit dialing.

1 Q In your exhibit, Exhibit No. 3, you go
2 through the different dialing patterns, whether it be
3 7 or 10 digits, with respect to various call -- with
4 respect to various proposals on the area code; is that
5 right?

6 A That is correct.

7 Q And you make a separate distinction between
8 local calls and EAS calls on your exhibit; is that
9 right?

10 A That is correct.

11 Q Customers -- there's no difference
12 whatsoever to a customer between an EAS call and a
13 local call, is there?

14 A I do not know.

15 Q As far as their dialing and the cost of a
16 call?

17 A As far as dialing and cost, no, there is no
18 difference.

19 Q In fact, an EAS from a customer is a local
20 call, wouldn't you say?

21 A I would think so. And that's one of the
22 reasons why I did them separate is because under the
23 split proposals, there are a number of options where
24 EAS calls must go to 10-digit dialing, and that's why
25 I had them separate to give the most information to

1 the Commission.

2 Q In fact, under the geographic split, the
3 dialing simply changes if you call into a different
4 area code, you dial ten digits as opposed to seven?

5 A That is correct.

6 Q Doesn't that pretty much explain it all, how
7 how the dialing changes?

8 A Pretty much, yes, sir. And that's why I did
9 the exhibit, to show what the different calling
10 patterns would be for each individual area that we're
11 talking about in this 813 area code.

12 Q Do you think the mandatory 10-digit dialing
13 with the overlay plan would have an effect on young
14 children trying to learn phone numbers, of themselves
15 and their friends?

16 A It may have. And that's one of the reasons
17 what we planned to do was the same approach that
18 Ameritech had done, where you give coloring books to
19 the school kids so they can understand about the new
20 dialing.

21 Q What coloring books is that?

22 A Coloring books that go to all the schools so
23 the kids learn about the new dialing.

24 Q If they went to a geographic split, that
25 wouldn't be necessary since their calls within their

1 area would still be seven digits; is that right?

2 A Depending on where they are calling, if it's
3 between the area code or within -- between area codes,
4 yes.

5 Q Let me ask you a little bit about your
6 background. You've a masters degree in accounting; is
7 that right?

8 A That is correct.

9 Q What is your background in market research?

10 A Only having contact with the results of
11 market research and having over the years at times
12 talked to some market research people.

13 Q Have you ever designed a survey?

14 A No, I have not.

15 Q Have you ever been involved in the wording
16 of questions that are used in surveys?

17 A I have reviewed the questions in the
18 surveys, but I have not been the one that had the
19 final say on saying whether it was the correct way to
20 say it from a market research standpoint.

21 Q What was your involvement with respect to
22 the survey done by -- that GTE had done on the area
23 code?

24 A I reviewed the questions to make sure that
25 from a regulatory viewpoint I did not see any problem

1 with the questions.

2 **MR. BECK:** Madam Chairman, I have two
3 exhibits. One is an excerpt from the Survey
4 Questionnaire, and the second is a response to GTE to
5 a request for production of documents by our office.
6 (Hands out documents.)

7 **COMMISSIONER CLARK:** Maybe Marsha or Tom
8 could help you pass those out so we could go faster.

9 **MR. BECK:** Madam Chairman, I ask that the
10 excerpt from the Survey Questionnaire be marked as an
11 exhibit --

12 **CHAIRMAN JOHNSON:** It will be marked as
13 Exhibit 5.

14 (Exhibit 5 marked for identification.)

15 **Q** (By Mr. Beck) Ms. Menard, do you have
16 Exhibit 5 in front of you?

17 **A** Yes, I do.

18 **Q** On the first page that has a Bates stamp 217
19 at the bottom.

20 **A** Yes.

21 **Q** At the top of that the page it says "Final
22 Draft #6" for a survey; is that right?

23 **A** That is correct.

24 **Q** Okay. Was this the actual survey that was
25 used?

1 A It's my understanding it is, yes.

2 Q What's your understanding based on?

3 A The documents we produced to the Commission,
4 to you.

5 Q But how do you know that this was the actual
6 survey that was used?

7 A Because that's what the market research firm
8 gave us as far as their documentation on the survey
9 they did.

10 Q I take it there were five earlier drafts of
11 the survey that were reviewed by the Company and the
12 survey firm?

13 A That was my understanding based on that
14 comment that is there, yes.

15 Q But you don't have any of those drafts
16 anymore?

17 A No, I do not.

18 Q Do you have the --

19 **MR. BECK:** Madam Chairman, I would ask that
20 GTE's response to our request for production of
21 documents be marked as an exhibit.

22 **CHAIRMAN JOHNSON:** It will be marked as
23 Exhibit 6.

24 (Exhibit 6 marked for identification.)

25 Q (By Mr. Beck) Just for the record,

1 Ms. Menard, let me read the request that we made to
2 GTE and the company's response. Our request asked GTE
3 to provide all correspondence and e-mail between GTE
4 and the firm that conducted surveys regarding the 813
5 area code. GTE's response was that GTE has no
6 documents responsive to this request. Virtually all
7 communication between GTE and the research firm was
8 handled by telephone calls, faxed copies of draft
9 materials which were marked up and returned, and an
10 occasional e-mail. When the research project was
11 completed all draft materials were discarded and the
12 e-mails were deleted. Is that your understanding of
13 what GTE did with respect to draft materials?

14 A Yes.

15 Q Okay. And I guess this would go through
16 materials, what, as recent as last December of 1997?

17 A That's my understanding, yes.

18 Q Why were all e-mails and all communications
19 between GTE and the firm deleted?

20 A Just because we have so much paper we don't
21 hold on to all of that.

22 Q Including any correspondence either, you
23 don't hold on to correspondence for a set period of
24 time?

25 A It depends on -- I was not the one

1 responsible for doing this. I cannot answer for that
2 department on what all of their policies are on
3 keeping stuff. My understanding is there was
4 virtually no correspondence between us; just mainly
5 e-mail.

6 Q And what is that understanding based on?

7 A My discussions with the people responsible
8 for having that survey produced.

9 Q And, again, the reason for deleting the
10 e-mail was just because it was getting cumbersome
11 keeping all of that e-mail around?

12 A Yes.

13 MS. CASWELL: I'd like to object to the
14 characterization of "all that e-mail." The question
15 states "occasional e-mail." I think your
16 characterization is inconsistent with that.

17 Q (By Mr. Beck) Could you turn to the Bates
18 stamp 218. This page of the Survey contains portions
19 of what the surveyors told the people who they were
20 surveying; is that right?

21 A That's correct.

22 Q And under Option 1 that was a geographic
23 split description that was given to people; is that
24 right?

25 A Yes.

1 Q Okay. And there's a list of seven
2 descriptions that were given to the customers that
3 they would use as information on what a geographic
4 split was like; is that right?

5 A That is my understanding, yes.

6 Q Okay. And number one, the first thing the
7 customers were told was that your telephone number
8 would be changed to a new area code; is that right?

9 A Yes.

10 Q Okay. You would consider that a negative to
11 a customer, would you not?

12 A I don't know. Some of the customers
13 testified they had to problem changing their area
14 code.

15 Q But that's not a positive characteristic of
16 a plan, is it, that you have to change something?

17 A Oh, I would agree with that.

18 Q Okay. Why did you tell every -- isn't the
19 implication here that every customer would have to
20 have their area code changed?

21 A No. My understanding, the implication was
22 so the people could understand -- because this was not
23 asking, "Pinellas, you're the ones that are going to
24 have to change your area code. Here's the question."
25 What we're asking, "If you were the ones who have to

1 have your area code changed versus an overlay, does
2 that make an impact on how you feel about a geographic
3 split versus an overlay?"

4 Q Where does it tell the customers only half
5 the customers would have an area code change? Doesn't
6 this imply that all customers, every customer would
7 have an area code change?

8 A It could be read to be that, yes.

9 Q And, of course --

10 A I do not think that was the intent of that
11 wording.

12 Q The second descriptor says "You would need
13 to notify others of your new area code."

14 A Which is part -- consistent with No. 1.

15 Q That fact, that the customer is being told
16 their area code would be changed?

17 A Yes.

18 Q You would also consider that a negative
19 aspect of the plan, would you not, as opposed to a
20 positive?

21 A Yes. And that's what people in 941 told me
22 when they had to get a new area code.

23 Q The third item that you told customers was
24 that businesses would have to revise all printed
25 materials displaying their telephone numbers and

1 notify customers and suppliers. You would consider
2 that negative also, would you not?

3 A Yes.

4 Q And, again, that's assuming every business
5 had to change their area code as opposed to about half
6 of them; is that right?

7 A We're talking about for the area code that's
8 changing.

9 Q We're going to go through the rest, but let
10 me briefly go over to Option 2, which is the overlay
11 plan. And there's five characteristics that you gave
12 the customers that overlay plan. The very first one
13 is that no change in your current area code or
14 telephone number; is that right.

15 A That is correct.

16 Q That's kind of a positive aspect of your
17 plan, is it not?

18 A Yes, it is.

19 Q Now, could you tell me why the first three
20 items people were told about geographic splits were
21 all negative if the very first thing customers were
22 told about the overlay plan is a positive?

23 A No, I cannot.

24 Q Now, on the overlay, the Option 2, and it
25 says no change in your current area code or telephone

1 number, right? But nobody's telephone number under
2 any plan is going to be changed if you consider the
3 7-digit number a telephone number; is that right?

4 A That's correct. But I do not consider that
5 that's your telephone number.

6 Q You go back to the geographic split. Fourth
7 item, you provided positive comment. You would dial
8 seven digits for calls within your county; is that
9 right?

10 A Yes.

11 Q No. 5 is essentially the same both for
12 overlays and for geographic splits, which tells
13 customers there would be no changes in free or
14 extended calling service; is that right?

15 A That's correct.

16 Q Again, on the No. 6, on the geographic
17 split, one of aspects is 10-digit calling, that is the
18 area code plus the normal 7-digit number to numbers in
19 other area codes in nearby counties. That's worded
20 negatively, is it not?

21 A I don't know how that is worded negatively.
22 How would you reword it to word it positively?

23 Q I mean, it's a negative characteristic, that
24 you have to dial 10 digits to call somewhere?

25 A It depends on the way you look at it.

1 **COMMISSIONER GARCIA:** Ms. Menard, wouldn't
2 that be a characteristic for any plan?

3 **WITNESS MENARD:** Yes.

4 **COMMISSIONER GARCIA:** But I mean your plan
5 also?

6 **WITNESS MENARD:** The characteristic of our
7 plan was all calls are 10-digit dialing.

8 **COMMISSIONER GARCIA:** Right. This would be
9 true of any plan that was implemented.

10 **WITNESS MENARD:** Correct.

11 **Q** **(By Mr. Beck)** And No. 7, Ms. Menard,
12 again, that's a negative, is it not, if you have a
13 cellular phone you have to take it in to be
14 reprogrammed at no additional cost.

15 **A** That's part of one of the disadvantages of a
16 geographic split, yes.

17 **MR. BECK:** Ms. Menard, thank you. That's
18 all I have.

19 **CHAIRMAN JOHNSON:** Staff.

20 **MS. BROWN:** Chairman Johnson, we have a
21 composite exhibit identified as BYM-2, which is
22 Witness Menard's February 14th, 1998, deposition
23 transcript, Deposition Exhibit Nos. 1 and 2, and an
24 Errata Sheet we'd like to have marked for
25 identification at this time.

1 **CHAIRMAN JOHNSON:** We'll mark that as
2 Exhibit 7.

3 (Exhibit 7 marked for identification.)

4 **CROSS EXAMINATION**

5 **BY MS. BROWN:**

6 **Q** Ms. Menard, do you know the calling volumes
7 between Pasco and Pinellas County and Pasco and
8 Hillsborough County?

9 **A** No, I don't. The only thing that I had
10 looked at was how much -- on the normal splits we were
11 looking at how much ECS volume we had that would do
12 from seven digits and 10 digits, and that we're
13 talking about 15 million calls a month.

14 **Q** Can you get the calling volumes for us?

15 **A** Easily, I don't know. Number one, of
16 course, anything that's a flat rate we don't have the
17 calling volumes. And I don't have statistics on the
18 toll routes. The only thing I easily have call
19 volumes on is it ECS routes.

20 **Q** Ms. Menard, why don't you give us what
21 you've got, what you can get with respect to the ECS
22 calling volumes? Can you do that now, or would you
23 rather do it in a late-filed exhibit for us?

24 **A** Let me see what I've got on my piece of
25 paper here an' see what I've got. Some of this I was

1 doing while we were sitting here today. (Pause)

2 Q Maybe we ought to have it as a late-filed.
3 What we'd like to do is get the difference between the
4 ECS call volumes --

5 A Between Hillsborough.

6 Q -- between the different options.

7 CHAIRMAN JOHNSON: You're going to have a
8 late-filed, Staff?

9 MS. BROWN: Yes, please, and we'll call that
10 "ECS Calling Volumes for the Different Split Plans
11 between Pasco County and Pinellas and Hillsborough."

12 COMMISSIONER GARCIA: That was a short
13 title, by the way. (Laughter)

14 (Late-Filed Exhibit 8 identified.)

15 Q (By Ms. Brown) While we're on the subject
16 of ECS, you may remember that in your deposition you
17 discussed various ways that customers know when they
18 are placing an ECS call.

19 A Yes.

20 Q If you have your deposition with you, we
21 were talking about that on Page 31.

22 Would you provide the various ways that you
23 were aware of that customers do know when they are
24 placing an ECS call?

25 A Of course, one of the ways is at the front

1 of the directories, and as the witnesses testified
2 today, though, between directory closings, you know,
3 there are new codes that can be added.

4 One of the things that was a requirement
5 when we implemented the ECS in 1992, and is in our
6 switches today, is if a customer doesn't know, what
7 they can do is dial the call as a 1-plus and they get
8 a recording which says "It is not necessary to dial a
9 1 when calling this number. Extended calling service
10 rates apply for this call. Please hang up and try
11 your call again." So that is one option that a
12 customer has, is they can try to dial it on an 1-plus
13 basis, and if it is an ECS call they will get that
14 recording they've got to redial.

15 Q Let me interrupt you for a minute. But if
16 they dial it on a 7-digit basis they wouldn't get any
17 kind of --

18 A They won't get any -- that's correct.

19 Q So if they think they're dialing a plain old
20 local call, they will never know?

21 A That is correct, until they get their bill.

22 **CHAIRMAN JOHNSON:** What would they have to
23 dial? They'd have to dial 1 and the area code?

24 **WITNESS KEMARD:** 1-plus. Because we are --
25 all toll is now on 10-digit dialing, they'd have to

1 dial 11 digits. But if they didn't know, they could
2 pick it -- if they didn't know that -- let me --

3 **COMMISSIONER GARCIA:** Ms. Menard, if you had
4 a long distance carrier, wouldn't it pick up?

5 **WITNESS MENARD:** No. Because what happens
6 is on those calls, the 1-plus, it first checks to see
7 if it's an ECS call before it would route it to the
8 presubscribed carrier.

9 **COMMISSIONER GARCIA:** So I couldn't make --

10 **WITNESS MENARD:** If you tried to make those
11 calls on these routes -- see they are local routes.
12 Toll competition is not allowed. You cannot dial
13 10XXX -- if you dial 10XXX on these routes, you'll get
14 a recording saying you can't dial it that way because
15 competition is not allowed on these routes. That went
16 to the Florida Supreme Court.

17 **COMMISSIONER GARCIA:** Okay.

18 **Q** (By Ms. Brown) A couple of --

19 **COMMISSIONER JACOBS:** Excuse me. If the
20 customer dials a 1-plus call in order to get that
21 message, is there a charge for that?

22 **WITNESS MENARD:** No, there is no charge for
23 that.

24 **Q** (By Ms. Brown) If the customer is dialing
25 an 1-plus call to -- you said that your switch would

1 then -- what keys your switch to look to see if it's
2 an ECS call?

3 A Because it looks at the NXX they are
4 dialing.

5 Q It doesn't do that for regular local calls?

6 A I can't say that. I mean the switch --

7 Q What I'm trying to get at is --

8 A It does that routing before it does the
9 normal route to the presubscribed carrier for a normal
10 toll call.

11 Q Technically what would be the difficulty in
12 having it do that for any call it's dialed?

13 A Number one, the disadvantage of this
14 approach is if the customer knows -- if I'm in Tampa
15 and I know I want to call Clearwater, I'm never going
16 to go through dialing these 11 digits first to find
17 out if the call -- number one, the call will not go
18 through. If they really -- once they know it's ECS,
19 if they want to make the call, they have to redial the
20 number. So they have to make two calls to make one
21 call.

22 Q But you're assuming that the customer --
23 what I was asking was that the customer would have to
24 dial 11 digits. I wasn't. And just explain to me if
25 I'm way off base here, but what I'm trying to ask you

1 is could your system check to see if it's an ECS call
2 by just dialing -- by checking if the customer -- when
3 the customer dials just seven digits?

4 A The switch knows it's an ECS call when the
5 customer dials seven digits.

6 Q So you could put an intercept in without the
7 1-plus?

8 A What you're talking about, putting
9 tremendous delays in over 15 million calls for lots of
10 people who know they are calling and want the call to
11 go through, know it's ECS, have no problem. On a
12 cost/benefit analysis I can't justify it. Plus one of
13 the problems is when you're talking about intercept is
14 in our GTE 5 we've used up all of the intercept
15 recordings. You're talking about buying additional
16 devices that cost approximately 17,000 per central
17 office.

18 Q But ultimately your answer was yes?

19 A Yes, theoretically, you could do it. We
20 looked at that when we implemented ECS.

21 COMMISSIONER GARCIA: I missed you, Martha.
22 What exactly was Ms. Brown asking you you could do?

23 WITNESS NEWARD: Could I put an intercept
24 message every time a customer makes an ECS call. And
25 the answer is technically you can. Practically, I'm

1 violently opposed to it.

2 **COMMISSIONER GARCIA:** Okay. And I may be
3 way off base, could you just add a digit to it in
4 terms of ECS, 1-plus, for the ECS calls?

5 **WITNESS MENARD:** The problem you've got
6 right now is we have presubscription, and because of
7 how we have changed the area codes and gone to the
8 interchangeable area codes I can't allow 1-plus seven
9 digit calling.

10 **COMMISSIONER JACOBS:** Walk me through that,
11 would you please?

12 **WITNESS MENARD:** When we went -- the first
13 part of when we were running out of -- to ensure we
14 had a longer life to how long the NPA codes would
15 last, we went to interchangeable NPA codes where they
16 changed what the second digit could be. And as part
17 of that we had to eliminate all 1-plus seven digit
18 routing for toll calls. All toll calls today are done
19 on a 1-plus 10-digit basis.

20 **COMMISSIONER JACOBS:** Okay.

21 **Q** **(By Ms. Brown)** So let me back up. Right
22 now you put in an intercept on ECS calls if a customer
23 dials 1 first.

24 **A** If they dial 1-plus 10 digits they can find
25 out whether there is a charge for the call. It is not

1 designed for a customer actually making a call; it is
2 designed for if a customer wants to find out if there
3 is a charge for the call.

4 Q Have you advertised to the customers that
5 that's a way for them to find out if there's a charge
6 for the call?

7 A I do not know if we have. That was put in
8 in 1992 per Commission order and do I do not know.

9 Q So as far as you know, as you're aware,
10 there has been no advertising?

11 A As far as I know there's not, because the
12 volume of the complaints. In looking at the
13 complaints, maybe get two a year. I didn't see any
14 reason to spend the money to advertise because I don't
15 get many complaints.

16 Q So you didn't spend the money to advertise?

17 A To the best of my knowledge we have not
18 spent the money to advertise. I've not seen any
19 advertisement.

20 Q Okay. Now, explain to us, I think --

21 COMMISSIONER GARCIA: Martha, before we move
22 on, let me just -- would it be feasible to do exactly
23 the ECS calls -- in other words, to have you dial
24 1-plus 10 digits for all toll calls, for all ECS
25 calls.

1 **WITNESS NEWARD:** No, we're violently opposed
2 to that. As I discussed in my summary, the problem
3 is, number one, my billing system can't handle it,
4 okay. So right away I've got a problem that I can't
5 do it today. We're talking about a year, two years
6 away before I can change my billing system so I could
7 handle it. I also think -- as far as I'm concerned I
8 try not to be anticompetitive, and to me you're lying
9 to the customers -- because what we have been telling
10 the customers is under intraLATA presubscription, when
11 you 1-plus dial a call, it goes to your presubscribed
12 carrier. Well, these calls do not go to the
13 presubscribed carrier. They are GTE calls. MCI local
14 can get those calls because they are certified local,
15 they can handle those calls as a local provider. MCI
16 long distance is not allowed to handle those calls.
17 So those calls would need to be routed to GTE Florida.
18 And to me that's against all of the precepts of what
19 we have been doing with presubscription.

20 **COMMISSIONER CLARK:** I'd like to follow up
21 on that. If I'm a GTE customer and I have Sprint as
22 both my inter- and intraLATA presubscribed carrier and
23 I dial 1, area code and a number, and it is an ECS
24 route.

25 **WITNESS NEWARD:** You'll get a recording

1 saying the number cannot be completed as dialed.

2 **COMMISSIONER CLARK:** So will it tell me just
3 to dial the 10 digits?

4 **WITNESS MENARD:** Now, I'd have to go back
5 and look at all of the recordings. I think what we
6 tell the customer is redial the number. It's a
7 7-digit number. Because it's a local call.

8 **COMMISSIONER CLARK:** It's all 813.

9 **WITNESS MENARD:** It's all 813.

10 **COMMISSIONER CLARK:** Tell me how that's
11 going to work when it's not all 813.

12 **WITNESS MENARD:** Well, the plan was, under
13 the overlay, everybody was going to dial 10 digits for
14 everything.

15 **COMMISSIONER CLARK:** Not under the overlay.
16 How will it work on a geographic split?

17 **WITNESS MENARD:** On a geographic split most
18 ECS routes are going to be 10 digits

19 **COMMISSIONER CLARK:** But I want to know with
20 respect to the presubscription.

21 **WITNESS MENARD:** It won't change. You'll
22 dial it as a 10-digit local call. If you dial it as a
23 1-plus you'll get a recording saying you can't dial
24 the call. The difference, it will now tell you to
25 dial 10 digits.

1 **COMMISSIONER CLARK:** Okay. It will tell me
2 to dial without the 1.

3 **WITNESS MENARD:** I don't know. I have to
4 check on that.

5 **COMMISSIONER CLARK:** I mean that's very
6 important. Because unless you tell them exactly what
7 they need to dial they're going to wonder what did I
8 do wrong?

9 **WITNESS MENARD:** And, of course, part of
10 that is covered in the front of your directories where
11 it tells you here is the NXXs you can call. Local or
12 ECS.

13 **COMMISSIONER CLARK:** You don't always have a
14 directory.

15 **WITNESS MENARD:** I agree with that.

16 **COMMISSIONER CLARK:** And even when you do
17 it's hard to find that information.

18 **COMMISSIONER GARCIA:** And you said they are
19 out of date also.

20 **WITNESS MENARD:** Potentially for a new NXX
21 that gets assigned. They are not out of date for all
22 of the existing --

23 **COMMISSIONER GARCIA:** You just said a few
24 moments ago that you've run out of recording devices.

25 **WITNESS MENARD:** In our GTE 5, yes, because

1 we have a number of intercept messages. The industry
2 has certain guidelines, certain messages you use for
3 certain type routing --

4 **COMMISSIONER GARCIA:** Wouldn't a geographic
5 split require that you --

6 **WITNESS MENARD:** We have an intercept
7 message for geographic splits.

8 **COMMISSIONER GARCIA:** Okay.

9 **Q** (By Ms. Brown) So you testified just a
10 second ago that you can't bill for 1-plus 10 digits
11 ECS.

12 **A** That is correct.

13 **Q** Technically, though, it's possible?

14 **A** Technically it is possible. We're violently
15 opposed to it but it's technically possible.

16 **COMMISSIONER CLARE:** And your reason is it's
17 about \$17,000 per swi'ch.

18 **WITNESS MENARD:** To do an intercept. But
19 I'm talking about the routing. I thought she was
20 talking about the routing, not the intercept. Change
21 all of ECS calls to 1-plus calls.

22 **COMMISSIONER GARCIA:** And you have to
23 explain to me what you mean by "violently opposed"
24 just so -- since we are in your service territory?

25 **WITNESS MENARD:** You are talking my switch

1 people would kill me, okay. (Laughter)

2 COMMISSIONER GARCIA: Now we know where the
3 violence is directed.

4 Q (By Ms. Brown) In your deposition you
5 mentioned that GTE had looked at other options of
6 providing customers notification of ECS calls.

7 A Yes.

8 Q And that you determined them not to be
9 worthwhile?

10 A That is correct.

11 Q I don't think we ever got into exactly what
12 those other options were that GTE considered.

13 A One -- you know, of course, we do have the
14 option they can call the operator and check on a
15 number. One, I think somebody talked about building a
16 Web Page, you know, and putting all of the NXXs on
17 there. Like I said before, part of it is a cost/
18 benefit thing. Given the volume of complaints, that I
19 get virtually none, I have a problem justify spending
20 the money trying to ask somebody to keep up with some
21 data base that would be there for people to access.

22 Q Anything else you thought of? (Pause)

23 A Right offhand I can't think of anything
24 else.

25 Q If the Commission does decide to implement

1 an overlay, will you explain what notices and
2 advertisements you will put out in order to let
3 customers know about the relief?

4 A We had planned an extensive advertising
5 campaign if we went with the overlay because it is
6 something new for customers.

7 The initial plans, before we were going to
8 hearing since we were going to be implementing
9 permissive in March, we would have started with bill
10 inserts in February, just to let people know the
11 permissive period was coming and they had time to make
12 the change, but they could start working on
13 reprogramming any of their phones. We would be doing
14 billboards, newspapers, more bill inserts, you know,
15 press conferences, being on radio, things like that.
16 And as I mentioned earlier to Mr. Beck, we had planned
17 on doing like Ameritech did and having coloring books
18 for all the kids in schools so they could understand
19 the change in the dialing and understand it.

20 Q What about after the implementation of the
21 overlay, what plans had you designed to assist
22 customers if they were having trouble with 10-digit
23 dialing?

24 A I'm not familiar with anything specific on
25 that. Of course, as part of the 10 digit part of what

1 that was was to help all of the hotels/motels so that
2 when tourists come in they have information there so
3 they know it's 10 digit. I'm not aware of anything
4 specific that comes to my mind that we would do after
5 the mandatory was over.

6 Q So it was really just advertising ahead of
7 time?

8 A Correct. And let the customers know ahead
9 of time. You know, part of that would be a factor if
10 how customers -- you know, if everybody seemed like
11 they were accustomed to it; if they weren't, we would
12 continue doing the advertising.

13 Q Do you have any written documentation of the
14 plans, the advertising plans or the Ameritech phone
15 books?

16 A I know we have some confidential information
17 we provided Public Counsel on the advertising plan as
18 part of our production of documents.

19 Q What about if the Commission implements a
20 geographic split, what notices and advertisements was
21 GTE preparing to do to prepare its customers for that?

22 A I would assume -- since I have been looking
23 at it -- it would be comparable to what we did when we
24 split the 813 and the 941 area code two years ago.
25 And my recollection is that's basically inserts,

1 letters. You also -- we would do letters to business
2 customers, you know, letters to the alarm companies,
3 things like that, and bill inserts and that type
4 stuff, of my recollection.

5 Q No radio spots, no advertisements?

6 A Not to the degree that you would --

7 Q Coloring books?

8 A No, not to the degree you would need on the
9 overlay. Of course you'd have --

10 COMMISSIONER GARCIA: Why is that? Because
11 there's less confusion?

12 WITNESS MENARD: People are more used to it.
13 I mean the people that are changing would know they
14 have to change their area code. People have been
15 through splits before. Their other thing would be,
16 depending on the timing -- and, of course, the comment
17 that was made this morning, we've already missed, the
18 directory closed for St. Pete and Clearwater, so what
19 we did before, where we can't get it into the
20 directories in time for the directories -- correct for
21 the life of the directory, then we send out stickers
22 for them to put on the front of their directory to
23 remind them that there's a new area code.

24 COMMISSIONER GARCIA: So you require much
25 less custom - education there, therefore, when you go

1 a geographic split?

2 **WITNESS MENARD:** I would say that's probably
3 correct. Only because of the norm, and the overlay is
4 a new thing. Of course, they have the overlay in
5 Maryland. They are in the process of doing it in
6 Atlanta. And over time I would imagine that the
7 advertising, the things you would do for an overlay,
8 would get to be like they were for a split once people
9 get used to this is the way we now do area codes is do
10 overlays and people get used to it so you don't need
11 to do the same type of education.

12 **Q** Well, what if the Commission decided to
13 implement both a split and an overlay at the same
14 time?

15 **A** My people will scream.

16 **Q** Well, actually, we were on what would GTE do
17 to prepare customers?

18 **A** I don't know. I mean, my problem is -- the
19 thing that bothers me the most about that type of
20 approach is we're going through all of this change.
21 What we were trying to do was yes, unfortunately.
22 Somebody has to do something to change for any relief
23 plan we looked at. But we looked upon if you did the
24 overlay, then we'd go through the change one time and
25 we're done. If we have to go through and do a split,

1 and then immediately do an overlay behind it, I think
2 we're going to have such confusion -- I haven't even
3 thought to what we would have to do advertising-wise
4 to be able to explain to the customers why they are
5 going through changes right one on top of the other.

6 **COMMISSIONER CLARK:** What did you mean by if
7 a split and then an overlay on top of it?

8 **WITNESS MENARD:** That's what -- your counsel
9 asked me the question. What we would do is we would
10 split -- 813 and 727 would go to Pinellas and
11 somewhere we'd divide the line for Pasco, which is the
12 different options we've looked at. And we would
13 immediately plan that two years from now an overlay
14 would be implemented in 813. We are going to run out
15 of numbers quickly in 813 again if we do a geographic
16 split.

17 **COMMISSIONER CLARK:** I'm sorry. Let's go
18 back, then, to the exhibits. And you immediately have
19 to go to that because in Option 2 it would be three to
20 five years before Pasco/Hillsborough would need it
21 again?

22 **WITNESS MENARD:** And you start planning two
23 years before the split.

24 **COMMISSIONER CLARK:** That assumes it would
25 be another overlay and not a geographic split, right?

1 **COMMISSIONER GARCIA:** Right. But the
2 reason --

3 **WITNESS MENARD:** I strongly disagree that we
4 have a good dividing line now. After we do one more
5 split, there is no dividing line left, I don't think,
6 that you can justify.

7 **COMMISSIONER GARCIA:** The problem,
8 Commissioner, is I believe that Pasco County is too
9 small to ever take its own area code.

10 **WITNESS MENARD:** Correct.

11 **COMMISSIONER CLARK:** And your view is that
12 we couldn't do a split within a county?

13 **WITNESS MENARD:** We can do one, but you are
14 talking about massive 10-digit local calling that I
15 don't think I -- to me it's just like the situation in
16 Miami at that point, it has to be an overlay.

17 **COMMISSIONER CLARK:** What you're suggesting
18 with an overlay is massive 10-digit dialing, right?

19 **WITNESS MENARD:** With a split we're putting
20 in massive 10-digit dialing. Over 15 million calls a
21 month are going to be 10-digit dialed, so that's why
22 we looked upon the easier solution is go through it
23 one time and we're done. Because a lot of calls are
24 going to have to be dialed on a 10-digit basis
25 anyplace we draw the line.

1 **MS. CASWELL:** Could I ask for a
2 clarification on your last question? I heard you to
3 ask Ms. Menard the question of what would happen if
4 you did an overlay and a split at the same time. And
5 what she answered was if you did a split first and
6 then an overlay, and I'm wondering if that was your
7 question, or was your question something different?

8 **Q** **(By Ms. Brown)** Well, Ms. Menard, why don't
9 we give this a name, why don't we call this Option 5,
10 and I think we discussed this in your deposition to
11 some extent, the possibility that the Commission could
12 make the decision here to deal with this exhaust in a
13 way that it implemented a geographic split, and
14 implemented an overlay at the same time that would be
15 effective at a later date, at the time that the
16 numbers in Hillsborough County, since they are
17 projected to exhaust sooner than Pinellas, at the time
18 they ran out, the overlay would already be in place to
19 be used if necessary.

20 **COMMISSIONER GARCIA:** I would be violently
21 opposed to that, just so we get the record straight.
22 **(Laughter)**

23 **MS. CASWELL:** I think that's what she
24 answered.

25 **MS. BROWN:** Yes. I did, too, so why don't

1 we move on.

2 Q (By Ms. Brown) If the Commission did do
3 this -- we're not moving on. I have one more
4 question.

5 Is it possible for GTE to allow 7 and
6 10-digit dialing at the same time until the need for
7 NXXs would warrant implementing mandatory dialing?

8 A Generically --

9 Q Technically.

10 A Technically -- let's talk about today.

11 Okay. Today my switches are set up where I think
12 7-digit calls can be dialed on a 10-digit call and
13 they work fine. I mean, that's part of going through
14 the whole permissive period, was the fact you can dial
15 the call either a way.

16 Once we start doing a split, I'd have to go
17 back and look, because I don't know if then we would
18 start running into code conflict problems if we
19 started allowing you to do both at the same time.

20 COMMISSIONER GARCIA: I think Staff is
21 speaking about the long term, if I'm not mistaken.

22 WITNESS MENARD: Yes. If I immediately
23 started planning for an overlay so people could start
24 reprogramming going to 10 digit for local calls,
25 7-digit local calls.

1 **Q** This would just be within the Hillsborough
2 area, the 813 area. How long would it take you to
3 find out if that would be a problem or not? Could we
4 get a late-filed exhibit?

5 **A** Yeah, we should be able to get a late-filed
6 exhibit.

7 **COMMISSIONER GARCIA:** I'm just curious.
8 We're not really considering this now. You're just
9 preparing for the future?

10 **MS. BROWN:** As Staff is inclined to do, we
11 want to have as full a record as necessary, as we
12 possibly can. And this was an option that doesn't
13 seem to have been specifically identified to this
14 point.

15 **WITNESS MEMARD:** And so the exhibit -- what
16 would you call the exhibit?

17 **CHAIRMAN DEASON:** Do you want a late-filed
18 exhibit?

19 **MS. BROWN:** Permissive 7 and 10-digit
20 dialing for the 813 area code, feasibility of, why
21 don't we call it that.

22 **COMMISSIONER JACOBS:** Would you want to base
23 it on one of existing split options as the first round
24 and then go from there? Does it matter?

25 **MS. BROWN:** Either one would be fine.

1 **WITNESS MENARD:** But we're talking about for
2 the Hillsborough portion of the 813, correct?

3 **MS. BROWN:** Yes.

4 **COMMISSIONER GARCIA:** It wouldn't be for the
5 Hillsborough, it would be for the 813 portion of any
6 one of these.

7 **MS. BROWN:** Yes.

8 **WITNESS MENARD:** Okay.

9 **COMMISSIONER DEASON:** Be Late-filed
10 Exhibit No. 9.

11 (Late-Filed Exhibit 9 identified.)

12 **Q** **(By Ms. Brown)** Ms. Menard, you've read
13 Ms. Faul's testimony haven't you, MCI's witness.

14 **A** MCI's witness, yes. I didn't remember the
15 name.

16 **Q** And you remember that she recommended
17 several steps that the Commission should take before
18 implementing an overlay?

19 **A** Yes.

20 **Q** One of her recommendations had to do with
21 number portability. Can you tell us what the status
22 of permanent number portability is in the Tampa area
23 right now?

24 **A** Yes. As was discussed at our steering
25 committee meeting last Friday -- last Friday, I

1 believe it was, the southeastern LLC, which is your
2 Limited Liability Corporation, has vacated the
3 contract with Perot (ph) since they could not meet the
4 time frames of being able to put in, and has signed a
5 new contract with Lockheed, and that also occurred for
6 the other two regions that had originally picked
7 Perot.

8 At this point it's my understanding they
9 have not finalized the date that we will be able to
10 begin testing. The date suggested by Lockheed was to
11 be able to start testing May 11th. And the problem is
12 we've also got to do -- this just does not just impact
13 Tampa. We're talking about Phase I and Phase II, and
14 Tampa is a Phase II office that was supposed to be
15 first quarter of this year, through May of this year.
16 You also have Atlanta, which is a first quarter -- was
17 supposed to actually be fourth quarter of last year.

18 What has still got to be worked out is that
19 you have to do all of the testing and implementation
20 for Phase I, and you have to do all of the testing and
21 implementation for Phase II. And I think it's GTE's
22 position you're going to need to do something to Phase
23 I before you do Phase II. So you learn from that
24 experience, and we don't all do the same mistakes
25 twice.

1 So to the best of my knowledge, we don't
2 have the final date yet for when Tampa will be
3 implemented, but we will do it as quickly as possible.
4 And we will be filing the request to the FCC for the
5 waiver since it was beyond our control as far as being
6 able to meet the guidelines. I can't do it when I
7 have no database.

8 **COMMISSIONER CLARK:** Ms. Menard, I don't
9 know that you answered the question.

10 **WITNESS MENARD:** She asked me what the
11 current plans were.

12 **COMMISSIONER CLARK:** And I understood you to
13 say that possibly you'll be testing May 11th.

14 **WITNESS MENARD:** No. What they're talking
15 about is Lockheed is talking about having the database
16 available to begin testing May 11th.

17 **COMMISSIONER CLARK:** Let's assume that goes
18 well. When can you implement --

19 **WITNESS MENARD:** Those dates haven't been
20 worked out yet. The industry is working on deciding
21 the test dates. I don't know if they are going to
22 test for three weeks, four weeks. You know, they are
23 still working out all of the testing time frames. And
24 then I have a number of central offices that have to
25 be converted.

1 The original plans were it was going to be
2 tested in August of '97 in the Atlanta area, and they
3 would have implemented Atlanta area starting October
4 '97 and finishing March 1998. We would have started
5 doing our stuff in the beginning of this year and
6 would have completed by May 15th. We are already nine
7 months behind. And I do not know, though, that we
8 will take nine months past May 15th to finish. But at
9 this point the industry is still working on working
10 this out because of this latest change in plans.

11 **COMMISSIONER CLARK:** If I can summarise
12 that, you're about nine months behind right now?

13 **WITNESS MENARD:** Right now we're nine months
14 behind. I'm hoping we won't be nine months behind
15 when we hit the end but I do not know.

16 **Q** **(By Ms. Brown)** When you're talking about
17 finish, you mean finishing testing.

18 **A** No. I'm talking about finishing conversion
19 of the offices.

20 **Q** Oh, okay. Are you aware that the Commission
21 is currently conducting a utilization review of
22 numbers that would include such things as rate center
23 consolidation and number pooling?

24 **A** Yes. I furnished about that much paper
25 (indicating) t the Staff for the 813 and 914 area

1 codes, yes.

2 MS. BROWN: No further questions. Thank
3 you.

4 COMMISSIONER CLARK: Ms. Menard, can I ask
5 you about that because I did -- I guess the other
6 witnesses mentioned the need to do a better job of
7 pooling. I guess that means coming down to a thousand
8 NXXs -- is it NXXs?

9 WITNESS MENARD: NXXs.

10 COMMISSIONER CLARK: As opposed to 10,000.
11 Where are we on that?

12 WITNESS MENARD: My understanding Ameritech
13 is currently in the -- doing a test to see how that
14 works. Everything I have seen and read, I think we're
15 probably a year to two years away before having that
16 type solution available. Because you're talking about
17 major changes to systems and all. There are still a
18 lot of things that haven't been worked out.

19 I mean, number one, in most of my NXXs I
20 doubt there are many that I've got a thousand block
21 available that I could do something with, just
22 because, number one, the way you used to assign
23 numbers -- especially, like, when we were step
24 offices -- you deliberately took numbers during the
25 different blocks because of how it worked in the

1 switch, you know, so you didn't segregate that way.

2 One of the questions that I have not seen
3 the answer on how they were going to work it out is
4 going to be let's assume AT&T gets a new NXX that they
5 are going to make be number pooled -- because somebody
6 still has got to get assigned that NXX, or at least I
7 think theoretically that's the way they are looking at
8 it. Then what could happen is AT&T may take the first
9 thousand block and Teleport may take the second
10 thousand block, and on down the thing.

11 One of the things that happens is going to
12 be -- when we're talking about long-term number
13 portability, one of the things that happens is as you
14 have numbers assigned, or they are portable, you have
15 a database where you start doing look-up and all.
16 Well, one of the questions is do I, therefore, have to
17 put all of those individual numbers -- it impacts how
18 we put the numbers in the databases for look-up. Who
19 is responsible for doing intercept messages if a
20 number is not assigned? There are a lot of technical
21 things that have to be worked out on this number
22 pooling. The current SS7 network can't route that
23 way. It doesn't -- not do the translations to do it.
24 So what you're talking about, the only place we can do
25 this pooling-type arrangement is where we have

1 long-term number portability already implemented.

2 COMMISSIONER CLARK: And that's the thing
3 that's nine months behind right now?

4 WITNESS MENARD: That's correct. For the
5 813, where we are running out, it is not a viable
6 solution at all.

7 COMMISSIONER CLARK: What about rate
8 center --

9 WITNESS MENARD: Consolidation?

10 COMMISSIONER CLARK: -- consolidation.

11 WITNESS MENARD: That is one of the things
12 Staff is looking at.

13 One of the problems you have with that, as I
14 discussed in my deposition, is given the current
15 Commission position that we can't even do rate
16 regrouping, that that's a violation of the law, I
17 don't know how we do rate center consolidation.
18 Because that's, in a sense, rate progression on a
19 different scale.

20 COMMISSIONER CLARK: You'll have to explain
21 that to me.

22 WITNESS MENARD: Okay. What you're talking
23 about on a rate center consolidation might be -- if we
24 go to -- probably it would be easier. If you go to my
25 deposition exhibit, at the end of that exhibit there

1 are some pages that show what the current rate centers
2 are.

3 COMMISSIONER CLARK: Tell me the page
4 number.

5 WITNESS NEWARD: Page 68. The real example
6 that shows you part of what we're talking about would
7 be on Page 69.

8 When you look at Tampa, Tampa starts at the
9 bottom of Page 68. We have Tampa Central, we have
10 Tampa East, I've Tampa North. These are all shown in
11 that second column as far as our A-18 rate centers,
12 Tampa South and Tampa West. Tampa, for the LERG,
13 which is the local exchange routing guide, counts
14 Tampa as one toll center. But in our toll tariffs,
15 and in all of our local calling plans, each area of
16 Tampa has its own different calling. So if you look
17 across the columns, as far as the EAS areas, which
18 would be your flat rate seven digit, and your ECS,
19 which would be your \$.25 calls, those different areas
20 call different areas. They don't call the same
21 places.

22 So in rate center consolidation, what you
23 might be talking about is where, for instance, Tampa
24 West has flat rate free calling to Clearwater. And
25 rate center consolidation, what I would be doing is

1 saying that all of these offices of where all they can
2 call, now maybe Tampa Central can call all those same
3 areas. So they get expanded local free calling.

4 Well, I can tell you right now, if I'm going to expand
5 free local calling, I'm going to want to raise rates.
6 And my understanding of what MCI had proposed in their
7 testimony is a revenue neutral, i.e., where you take
8 into fact that you're no longer charging toll, or no
9 longer charging ECS and do that. Under the current
10 Florida law, I don't -- and given the Commission
11 position on we can't do rate progressions, I don't see
12 any way we can do it under the current Florida law.

13 **COMMISSIONER CLARK:** Okay.

14 **CHAIRMAN JOHNSON:** What would be the reason
15 for raising the rates?

16 **WITNESS MENARD:** Because they are going to
17 get more calls. They can call more areas on a flat
18 rate free basis.

19 **CHAIRMAN JOHNSON:** It's not a cost base kind
20 of ---

21 **WITNESS MENARD:** No. It's going to cost me
22 money to do that.

23 **COMMISSIONER CLARK:** Because you'll no
24 longer have ECS.

25 **WITNESS MENARD:** And it's going to cost me

1 more in facilities. When you put in a flat rate free
2 calling, people tend to call more.

3 **CHAIRMAN JOHNSON:** So tell me again the
4 facilities, what would be the added cost? I know the
5 value of service argument would be the cost --

6 **WITNESS NEHARD:** Because they are going
7 to -- by definition if it went to flat rate free
8 calling, people that are objecting now to paying the
9 quarter for an ECS, they don't want to do it, well, if
10 it's free then they have no reason not to make the
11 call.

12 **CHAIRMAN JOHNSON:** Because they will be
13 using the network more, your argument is.

14 **WITNESS NEHARD:** That is correct.

15 **COMMISSIONER CLARK:** And it's your view that
16 if the present law says under your rate cap plan
17 regrouping is not allowed you can't.

18 **WITNESS NEHARD:** No, that's the Commission's
19 position.

20 **COMMISSIONER CLARK:** I realize that. But
21 it's your position, given that state of the law, you
22 would not advocate rate center consolidation.

23 **WITNESS NEHARD:** That is correct.

24 **COMMISSIONER CLARK:** If it were not the
25 case, do you think rate center consolidation is

1 something that should be pursued in order to avoid --
2 in order to conserve more phone numbers.

3 **WITNESS KENARD:** There is no question if I
4 had a clean slate, okay, and could say look at the
5 cost, look at what revenue I lose, and be able to go
6 to the Commission and say, okay, now for Tampa, I am
7 and maybe Tampa -- Tampa is so big I doubt I'd get rid
8 of all of the rate centers in Tampa, but it could be
9 that maybe I'd go down to two in Tampa. But
10 therefore, I may get rid of New Port Richey -- I mean,
11 other areas I would actually get rid of rate centers.

12 I think that is something that could be used
13 to help cut down on the need for numbers in the
14 future, yes. Given the current state we're at, I
15 don't know how practical that is.

16 **COMMISSIONER CLARK:** Okay.

17 **CHAIRMAN JOHNSON:** Explain to me how
18 consolidating those rate groups, or those rate
19 centers, how that frees up telephone use.

20 **WITNESS KENARD:** Okay. Certainly.

21 Let's talk about Pinellas, okay. Today, if
22 someone -- St. Pete and Clearwater are both in
23 Pinellas County. It makes a difference to the new
24 carrier where they get a code assigned. If he gets
25 Clearwater you can see that he can call St. Pete

1 free, he can call Tarpon Springs free, and Tampa West
2 free, and then you've got the areas that they can call
3 ECS. If he picks to have the number in St. Pete, for
4 instance, he doesn't get free calling to Tarpon
5 Springs, okay?

6 So where they get the calling from makes a
7 difference. And if they want to completely duplicate,
8 so that the calling for their customers is identical
9 to the calling for my customers, then they have to get
10 an NXX for every one of my rate centers.

11 Well, each one of those is 10,000 numbers.
12 If he's only going to handle 10,000 for all of
13 Hillsborough and Pinellas area, if I did rate center
14 -- I'd never rate center consolidate down that far,
15 okay. But, theoretically, maybe he'd only need 1 NXX.
16 Now, there's another solution that --

17 **COMMISSIONER DEASON:** So it doesn't free up
18 telephone numbers, it's -- for your use, it frees up
19 telephone numbers for the competitors. They don't
20 have to have as many points of presence, for lack of a
21 better term, within your network to duplicate the
22 rating and the calling that you provide.

23 **WITNESS MENARD:** That's correct. And so my
24 system -- it's not just for them, and it's also for me
25 so that in my switches I know where the customer is

1 dialing and what he's doing so I know how to rate the
2 call. I've got to do something with his code also.

3 Now, one of the things that GTE had looked
4 at because of this problem of rate center
5 consolidation, pooling, et cetera, one of the other
6 things that we're looking at is actually having, like
7 in conjunction with number portability, okay -- since
8 you're talking about number portability probably being
9 required to do a lot of these solutions -- is that we
10 would actually put an additional field in that number
11 portability record that would, in a sense, be for a
12 rate center ID. So that what could happen is in that
13 case MCI could, maybe, then assign 1 NXX for all of
14 Hillsborough and Pinellas County, and you do this
15 look-up in the number portability database to say,
16 "Oh, wait a minute. That customer is really in
17 Clearwater versus this customer is really in St. Pete
18 versus this customer is really in Tampa North." So
19 that then you could rate the calls appropriate to
20 where the customer really is located.

21 **COMMISSIONER DEASON:** But don't you run into
22 problems with the competitors, that they would be
23 getting a number that historically has been identified
24 as a Clearwater number where the person would be
25 living in S.. Petersburg.

1 **WITNESS MENARD:** You're talking about these
2 are new codes.

3 **COMMISSIONER DEASON:** Oh, these are totally
4 new codes. So there would not be that problem of
5 identification in Pasco.

6 **WITNESS MENARD:** That's correct.

7 **COMMISSIONER JACOBS:** I have a couple of
8 questions. In your deposition over on Page 24 you
9 talk about -- and subsequent pages, you talk about
10 inefficient use of NXXs, and also code conflicts.
11 From a layman's perspective could you help me
12 understand how that applies?

13 **WITNESS MENARD:** Sure. What we're talking
14 about -- and part of our concern of what this ties to
15 is why on my exhibit to my testimony, why for the
16 routes we say that we need to go to 10-digit dialing
17 even though they are EAS routes and all, and part of
18 it -- it's a factor of is, for instance, right now for
19 Clearwater, Clearwater has 300 -- now for all of these
20 numbers I'm talking about we're only talking about GTE
21 NXXs. I'm not talking about the NXX for cellular, PCS
22 or the competitors.

23 For existing NXXs, Clearwater has 389 NXXs
24 that they can access on a local 7-digit basis that
25 includes ECS but it's a 7-digit dialed call.

1 So the problem is -- what happened, for
2 instance that I was just talking about, if you look at
3 my chart, Zephyrhills has EAS to Dade City. Then you
4 have Zephyrhills as ECS down to Tampa Central. Well,
5 what happened is Bell had assigned a code for Dade
6 City of 289, which is the same as my Beach Park
7 central office. Well, it can dial today either
8 direction on a 7-digit basis. The code goes -- the
9 switch goes, "Wait a minute. Where do I route it? Do
10 I route it to Dade City or do I route it to Tampa?"
11 And that's what we call as far as a code conflict.
12 Well, the only way you can get rid of that code
13 conflict -- especially if you don't catch it before
14 customers get it assigned, is you've got to then put
15 in 10-digit dialing on one of those routes, where
16 today both of those routes are dialed on a 7-digit
17 basis. So the switch can say, "Ah, when it's
18 seven-digit I go this way; and if it's 10-digit, I
19 route it to the other place."

20 And because of that possibility of code
21 conflict, it means there are numbers that you cannot
22 assign in that area because of where it has local
23 calling to, even though -- let's say we do the split.
24 And Pinellas has 727 and Hillsborough has 813. There
25 are certain numbers that I cannot assign in Clearwater

1 in the 727 area code depending on how you do your
2 dialing because it could conflict with one of the
3 numbers in the local calling areas. And that's what
4 we're talking about inefficient use. Because those
5 codes are sitting there and nobody can be assigned to
6 those codes because it's going to conflict.

7 **COMMISSIONER JACOBS:** Any idea what the
8 level of those type conflicts are or would be?

9 **WITNESS MENARD:** If you put in 7-digit
10 calling across the things it would be tremendous.
11 That's why our recommendation is if you do a
12 geographic split, we have to go with 10-digit dialing
13 across the area codes, even where it's local calling
14 because there are too many codes that are currently
15 used on a local basis in these areas.

16 **COMMISSIONER CLARK:** But if you do that,
17 that solves your conflict problem.

18 **WITNESS MENARD:** It solves part of the
19 conflict problem. You still can have conflict
20 problems but it makes the possibility for conflicts
21 much smaller.

22 **COMMISSIONER DEASON:** The exhaust period you
23 gave us for the various options, was that assuming it
24 would be mandatory 10-digit dialing --

25 **WITNESS MENARD:** Across the area code.

1 **COMMISSIONER DEASON:** -- across the area
2 code.

3 **MS. BROWN:** Chairman Johnson, I thought of
4 one more question, if you don't mind, kind of a
5 follow-up.

6 **Q** **(By Ms. Brown)** Ms. Lenard, in your
7 deposition you finally gave your opinion of which of
8 the three geographic splits you liked the best. Would
9 you tell the Commissioners which ones.

10 **A** The reason I think what Ms. Brown is
11 testifying to -- I'm not for any of them. I mean, my
12 testimony is I'm not for any one. But when you look
13 at my exhibits, I would say my priority of the worse
14 of the evils is -- that my charts are in order of our
15 preference if we went to a geographic split. So
16 Page 3, which is Mr. Gancarz's Option 3, would be our
17 preferred option because we feel it keeps the local
18 calling patterns the most consistency, so they have
19 the least amount of 10-digit dialing between true
20 local calling areas.

21 **MS. BROWN:** Thank you.

22 **COMMISSIONER DEASON:** Let me follow up on
23 that question. Option 3 shows a four- to six-year
24 exhaustion period for Hillsborough and East Pasco; is
25 that correct?

1 **WITNESS MENARD:** Let me look back at my
2 chart with the numbers. (Pause) Yes.

3 **COMMISSIONER DEASON:** And that contrasts
4 with Option 4 which provides a five- for seven-year
5 exhaust.

6 **WITNESS MENARD:** Yes. The problem on Option
7 4 is I have 10-digit dialing for local calls within
8 Tampa. Because you are splitting Pasco off to
9 Pinellas and a good portion of Pasco County is part of
10 the Tampa exchange, so you're talking about 10 digit
11 local calls. And since the whole reason why we're
12 having these hearings is people didn't want 10 digit
13 local calls, that's why I didn't think this was a very
14 viable option.

15 **COMMISSIONER GARCIA:** It's a much smaller
16 group in comparison. People calling from Pasco to
17 Hillsborough is much smaller than the people in
18 Hillsborough that are not going to be having 10 digits
19 because they don't have an overlay.

20 **WITNESS MENARD:** Under Option 3 there's less
21 10 digit local calling needed than Option 4.

22 **COMMISSIONER DEASON:** That's because so much
23 of --

24 **WITNESS MENARD:** Pasco is a tually part of
25 the Tampa local calling area.

1 **COMMISSIONER CLARK:** Let me ask you a
2 question. From the standpoint of -- you indicate you
3 don't favor an overlay.

4 **WITNESS MENARD:** Don't favor an overlay or
5 don't favor a geographic split?

6 **COMMISSIONER CLARK:** Geographic split.

7 **WITNESS MENARD:** Okay.

8 **COMMISSIONER CLARK:** I'm sorry. How
9 persuaded are you by -- would you be persuaded by
10 customers who would rather have the geographic split
11 even if it was short-lived? I mean, I think there's
12 been a lot of testimony explaining why they don't want
13 it. And quite frankly, the demographics of this area
14 I find somewhat persuasive.

15 **WITNESS MENARD:** I think part of my answer
16 on that would be what we went through when we did the
17 survey. I mean, when we did the surveys there was no
18 question, the initial reaction of people, they don't
19 want any change. And I fully understand that. And so
20 there was definitely a subset of the people that at
21 first didn't like the overlay, or were neutral; really
22 didn't know and all. So one of the things we did as
23 part of the surveys was ask the customer, "Okay, if
24 you did it now, and if you knew that in three to five
25 years you were going to have to do it again," and went

1 through the scenario, a large percentage of the people
2 changed their mind and said they'd rather go ahead and
3 do the overlay now and be done with it.

4 So we had looked upon that that was going to
5 be part of our job as far as implementing the plan,
6 was to go through the process and go through the
7 explanation to the customer so they understand, yes,
8 this means making change now, but in the long term you
9 have a lot less change. Because we go through the
10 change one time. You're on 10-digit dialing. We
11 never have to change your dialing patterns again. You
12 are not changing your numbers. You do not have to
13 change your stationery. We don't have to reprogram
14 the cellular phones, and we get through this change.
15 And it's later -- I mean, even under an overlay, we're
16 talking six to eight years we're probably going to
17 need another area code, and I think that's optimistic
18 that it will take that long -- then we just put
19 another overlay area code. There's nothing new for
20 the customers to understand.

21 So what it's told me is we have not done a
22 good enough job in trying to get our story out for the
23 customers to understand that I don't have a magic
24 solution out there that's going to turn off needing
25 more numbers. And that's why we strongly feel that

1 the overlay is better because we're going to go
2 through all of this grief and then they are going to
3 go through it again, and I don't think it's to the
4 customer's best interest in the long term.

5 **COMMISSIONER CLARK:** Let me ask my question
6 a little differently.

7 **WITNESS KEMARD:** Okay.

8 **COMMISSIONER CLARK:** You're assuming that
9 your customers would agree with you if they understood
10 all of the facts as you do.

11 **WITNESS KEMARD:** Well, I'm also doing that
12 based on looking at the call volumes of how much
13 calling goes on across the Bay. Some of the customers
14 that have testified are people that don't want to call
15 across the Bay.

16 **COMMISSIONER CLARK:** I understand that. I
17 just want to say -- I want to ask the question.

18 **WITNESS KEMARD:** Sure.

19 **COMMISSIONER CLARK:** If a majority of the
20 customers, 80% say, "We understand all of that but we
21 still want a geographic split," what would GTE's
22 position be? If the majority of their customers truly
23 want this split, understanding all of the parameters
24 you put on it.

25 **WITNESS KEMARD:** If that there were the type

1 percent, then we might have changed our position.
2 Based on our surveys we did, it was overwhelmingly the
3 other way.

4 **COMMISSIONER CLARK:** Okay.

5 **COMMISSIONER DEASON:** Let me ask a follow-up
6 question. You indicated that part of your reasoning
7 was that Hillsborough would have to have another
8 relief within a short period of time, and that it
9 might as well -- we might as well go ahead and do the
10 overlay since they were going to have to have an
11 overlay eventually, in your opinion; is that correct?

12 **WITNESS KEMARD:** Well, it was not as much
13 that -- that was part of it. It was more. Any split
14 I did was going to require a lot of 10-digit dialing.
15 So if the objection to the overlay is 10-digit
16 dialing, I'm going to be doing 10-digit dialing
17 anyway. So our rationale was it's easier --
18 education-wise it's easier to tell the customer all
19 your 7-digit routes become 10-digit routes, and to
20 tell them, "Okay, you're in Pinellas so that means
21 that this route is going to be 10 digits, this route
22 is going to be seven digits, this route" -- you know,
23 I mean, we're going to have -- in any split we do, is
24 going to be, I tell the customers -- some of them you
25 do seven, some you do ten.

1 **COMMISSIONER DEASON:** What happens if
2 there's a split and a customer dials a number on a
3 7-digit basis that needs to be 10 digits? What type
4 of intercept or what happens to the system?

5 **WITNESS MENARD:** Short term, he'll get a
6 message. Later that number is going to end up being
7 reassigned in the other area code, so he won't get
8 where he wants to go.

9 **COMMISSIONER DEASON:** He won't be calling a
10 party he's not wishing to call. The call will just
11 not be completed if he dials it on a 7-digit basis; is
12 that correct?

13 **WITNESS MENARD:** Yeah. He'll just get
14 message saying -- short term he gets a message saying
15 you've got to dial -- I'm trying to remember now how
16 the recordings work when you do this.

17 There is a period where they get a recording
18 letting them know. Because at some point, because we
19 would actually be reassigning those numbers, we can't
20 keep those intercept messages in, so then he would
21 probably just get a vacant recording.

22 **COMMISSIONER DEASON:** The call would not be
23 completed.

24 **WITNESS MENARD:** The call would not be
25 completed.

1 **COMMISSIONER GARCIA:** Wouldn't he eventually
2 get the number that was reassigned?

3 **WITNESS MENARD:** Eventually he'd get some
4 different customer.

5 **COMMISSIONER CLARK:** But I thought that was
6 your code --

7 **COMMISSIONER DEASON:** Not on a 7-digit
8 basis.

9 **WITNESS MENARD:** Sure. Because we're going
10 to reuse the codes. That's the whole purpose of doing
11 a split, is to get where the codes that are currently
12 aren't used in Hillsborough I can now use in -- you
13 know, I mean -- you get new codes to use, but they are
14 codes that are already in existence on the other side.

15 **COMMISSIONER DEASON:** But you use those
16 codes last when you have a particular conflict, if you
17 expand.

18 **WITNESS MENARD:** Well, if we were continuing
19 being the administrator, yes, that's what we would do.
20 I don't know if that's what Lockheed is going to do.

21 **COMMISSIONER CLARK:** And Lockheed is going
22 to do it because it will be implementing the long-term
23 number portability.

24 **WITNESS MENARD:** No. Lockheed is going to
25 do it because, as part of the FCC's plan, they are

1 moving the number administration from Bellcore and the
2 local exchange companies to Lockheed. And so Lockheed
3 will be assigning all telephone numbers, all NPAs and
4 NXXs.

5 **COMMISSIONER DEASON:** Well, the worst case
6 scenario, though, if that happens, is the customer
7 calls on a 7-digit basis it must be a local call.
8 He's going to call and the party that he wishes to
9 speak with is not the party answering the phone, then
10 he'll know from then on if he wants to call the party
11 he thought he was calling, he's going to have to dial
12 on a 10-digit basis.

13 **WITNESS MENARD:** I would presume that's
14 correct, yes. I think.

15 **COMMISSIONER DEASON:** It's not going to be a
16 toll call involved.

17 **WITNESS MENARD:** Not on a 7-digit type
18 basis.

19 **CHAIRMAN JOHNSON:** Any other questions?
20 Redirect?

21 **MS. CASWELL:** I do have a few questions.

22 **REDIRECT EXAMINATION**

23 **BY MS. CASWELL:**

24 **Q** Ms. Menard, could you estimate how many
25 customers testified today against the overlay?

1 A I did not keep a tally today.

2 Q Would you say more than 20, less than 20?

3 A Around 20.

4 Q And were many of those same customers the
5 same people who testified in the Pinellas and
6 Hillsborough workshops on this issue as well?

7 A Yes.

8 Q Would you say that that group of people is
9 necessarily representative of the entire customer
10 segment in the 813 area code?

11 A No, I do not think they are.

12 Q How many customers are we talking about?

13 A We're talking about 2 million customers in
14 the 813 area code.

15 Q Can you look round at the audience in back
16 of me for a moment. Do you see anybody in that
17 audience that testified against the overlay this
18 morning?

19 A Not that I recognize.

20 Q And do you recall what was the most
21 consistent complaint about the overlay this morning?

22 A I think it was the use of 10-digit -- the
23 fact that we have 10-digit dialed calls.

24 Q Do you think those customers -- do you think
25 all of customers realize that the geographic split

1 won't remedy the 10-digit dialing problem?

2 A I do not know that the customers fully
3 understand how much 10-digit dialing will be required
4 under a split.

5 Q If they had stayed for your testimony and,
6 perhaps, for Mr. Gancarz's testimony, do you think
7 they might know a little bit more about the plan?

8 A They might have, yes.

9 MR. BECK: I'm going to object. You know,
10 the witness is speculating what somebody else may or
11 may not know. She just doesn't know what other people
12 may not know, and I think this is beyond her
13 capability of testifying. She's not qualified.

14 MS. CASWELL: I'll drop this line of
15 questioning.

16 COMMISSIONER GARCIA: Do you think they
17 would have been conscious through the entire
18 testimony? (Laughter)

19 WITNESS MENARD: That's a good question.

20 MS. CASWELL: I have problems with that
21 myself. (Laughter)

22 Q (By Ms. Caswell) Ms. Menard, in your
23 experience, do customers favor greater delays in their
24 calls going through?

25 A Not to the best of my knowledge.

1 Q And to your knowledge, do customers favor
2 7-digit dialing rather than a greater number of digits
3 when ECS was implemented?

4 A Yes.

5 Q Have we had a lot of customer requests to
6 add more digits to the ECS numbers?

7 A No.

8 Q Have we had any requests at all?

9 A Mr. Campbell is the only one I'm aware of.

10 COMMISSIONER GARCIA: Let me ask you,
11 Ms. Menard, because it reminds me of a question --
12 don't you pretty much have those NXXs distributed
13 early on, even before they've actually been given to
14 someone of where they are going to end up, which
15 office they are going to end up in?

16 WITNESS MENARD: Mr. Gancarz can talk more
17 specifically about that, being the code administrator.

18 My understanding of what the normal thing is
19 going to be like -- let's talk about a new code that
20 comes up. The carrier requested, we have a certain
21 time frame of which Mr. Gancarz then has to honor
22 their request and tell them whether they can have that
23 code or not. You know, depending on what the
24 situation is. Like right now we're in a jeopardy
25 condition, so somebody can't automatically get one.

1 **COMMISSIONER GARCIA:** We're not discussing
2 the area code.

3 **WITNESS MENARD:** I understand. But I'm
4 talking about, because we are in a jeopardy situation,
5 it impacts the carrier's capability to get codes.

6 The number gets assigned under the current
7 guidelines; because we're in a jeopardy condition, the
8 carriers have got to put the number in service within
9 six months. Under normal circumstances, if we were
10 not in a jeopardy -- the carrier has 12 months of
11 which to put a number in service.

12 **COMMISSIONER GARCIA:** All right. So that --
13 let's stop right there. That gives you, though, the
14 ability that when you publish your directory you, in
15 essence -- this is not a typical situation, but next
16 year's front page of your phone book where you have
17 which calls are ECS and not ECS, it would never be
18 late because you give the numbers almost to year out.

19 **WITNESS MENARD:** Well, but under normal
20 circumstances, we don't get the numbers. Like let's
21 talk about for GTE Florida's use.

22 **COMMISSIONER GARCIA:** Okay.

23 **WITNESS MENARD:** I don't get the numbers a
24 year ahead of when I need them. We get them when we
25 need them. And so what does happen is if the

1 directory is an October directory -- November I'm
2 asking for new numbers. The directory is out. So
3 those NNXs would not be there. The thing is going to
4 be, though, most of the customers are being assigned
5 in the old NNXs. So proportionally there probably
6 aren't that many calls that are going to the new NNXs
7 before a new directory would be published, you know,
8 because by definition we try to assign from the old
9 codes first. But, theoretically, there is no way I
10 can fully solve the problem.

11 And I think normally, the normal guidelines
12 the directory company uses, is they only put numbers
13 that are in and working when they do those maps,
14 because you don't want to mislead the public and think
15 there's a NNX there that's not there.

16 **COMMISSIONER GARCIA:** Yeah, but I don't
17 think anybody is going to call an NXX --

18 **WITNESS MENARD:** If they don't have anybody.
19 I would agree. But I don't know that that has always
20 been our mode of operandi. Probably would be -- a
21 better way to do it is to make sure we have all future
22 assigned ones. But a timing thing is there still
23 would be, I think, the high probability that there
24 would be some codes assigned that we would not know at
25 the time. Because the directory closing is like four

1 to five months, at least, before the actual
2 publication date.

3 CHAIRMAN JOHNSON: Ms. Caswell.

4 Q (By Ms. Caswell) A couple more. Do you
5 believe that rate center consolidation is potentially
6 a solution to the issues in this particular docket?

7 A No. Because it's a timing issue. We're
8 running out of numbers this year. There's nothing we
9 could do in time.

10 Q Would rate center consolidation be an
11 industry-wide solution in your opinion?

12 A Yes. And that's why I think the Staff asked
13 me the question that -- you know, the Staff does have
14 a ongoing -- in the long-term number portability
15 docket we're looking at those type issues.

16 Q Okay. I'd like you to look back at what has
17 been labeled as potential cross examination Exhibit 5
18 that Mr. Beck passed out earlier. Look at Option 2,
19 which is the overlay. He had a series of questions in
20 which he asked you to characterize particular
21 statements here as negative or positive. I'd like you
22 to look at Item No. 2 under Option 2. And it says,
23 "All local and extended toll service calls would
24 require dialing 10 digits." Based on the consumer
25 testimony this morning, would you say that consumers

1 would regard that as a negative or a positive
2 characteristic?

3 A As a negative.

4 Q And will you look at No. 5 now? It says,
5 "No changes in your free or extended calling service
6 area." Do you think that that's a negative or a
7 positive characteristic?

8 A I would hope it would be a positive. When
9 you look at it in conjunction you're going to 10-digit
10 dialing, and I don't know if it would be a negative or
11 positive.

12 Q So which one did GTE place first, the
13 clearly negative characteristic or the potentially
14 positive characteristic in this survey?

15 A I think we put a lot of the negatives first
16 when we said No. 2 and No. 3.

17 **MS. CASWELL:** Thank you. That's all I have.

18 **CHAIRMAN JOHNSON:** Exhibits?

19 **MS. CASWELL:** Yeah. I would move
20 Exhibit No. 3 which was the attachment to Ms. Menard's
21 direct testimony.

22 **CHAIRMAN JOHNSON:** Show that admitted
23 without objection. Okay.

24 (Exhibit 3 received in evidence.)

25 **MR. BECK:** Move 4, 5 and 6.

1 **MS. CASWELL:** I do have an objection to
2 Exhibit No. 5.

3 **CHAIRMAN JOHNSON:** We'll attend to them one
4 at a time. Show 4 as 6 admitted without objection.

5 (Exhibits 4 and 6 received in evidence.)

6 **CHAIRMAN JOHNSON:** 5 is the excerpts from
7 the Survey Questionnaire.

8 **MS. CASWELL:** My objection is conditional,
9 and I don't know if this is the place we want to fight
10 about the introduction of the Survey in its entirety.
11 But I would object with even more now that Mr. Beck
12 has introduced portions of the Survey Questionnaire in
13 his Exhibit 5, and ask the Commission once again to
14 submit the entire Survey, as Mr. Latvala requested
15 this morning. And I believe the entire Survey is
16 actually three surveys and some supporting material,
17 all of which was produced to Mr. Beck through
18 discovery, and which I've handed out to Staff and, I
19 believe, Chairman Johnson also has a copy.

20 So if all of that Survey comes in, I would
21 object to the introduction of Exhibit No. 5.

22 **CHAIRMAN JOHNSON:** Mr. Beck.

23 **MR. BECK:** Chairman Johnson, the reason I
24 used cross examination Exhibit 5 is because of your
25 earlier rulings did allowed in the information about

1 the survey. If Ms. Menard is competent to sponsor the
2 surveys, then I suppose I won't have an objection.
3 However, there's been no showing that she is competent
4 to support the three volumes of surveys. So there's
5 no basis for GTE to offer their survey if, in fact,
6 that's what they're doing at this point.

7 **MS. CASWELL:** Then I would say that there's
8 no basis for you to be offering this cross examination
9 exhibit; no basis for your cross examination of
10 Ms. Menard.

11 **MR. BECK:** Well, certainly it shows that
12 she's not competent to answer the questions about the
13 Survey.

14 **MS. CASWELL:** Well, I think the agreement
15 this morning was that the material this morning would
16 come in, and we would offer Ms. Menard -- we would
17 offer her testimony, the Commission could give it
18 whatever weight it wanted to give the testimony, and
19 we would also keep the consumer testimony in about the
20 surveys, and there's a substantial amount of the
21 testimony given in the public workshops about those
22 surveys.

23 **CHAIRMAN JOHNSON:** Ms. Caswell, let me ask
24 you one question. Are you going to offer the complete
25 volume of information, the three volumes that contain

1 the Survey?

2 **MS. CASWELL:** Yes. I would plan to do that
3 based on the remarks this morning and the fact that
4 this comes in -- I want that to come in as well.

5 **CHAIRMAN JOHNSON:** Okay. At what time? Are
6 you offering them now?

7 **MS. CASWELL:** Yeah, I'm offering them now.
8 I'm offering them now. If those are accepted, my
9 objection to this portion of the survey will go away
10 because then the entire survey will become part of the
11 record. And I don't have the evidentiary code here
12 with me, unfortunately. But I think the rule is that
13 if a portion of document comes in, in all fairness the
14 entire document should come in if there's an objection
15 to it.

16 **CHAIRMAN JOHNSON:** Staff?

17 **MS. BROWN:** Staff doesn't really have a dog
18 in this fight. For the Commission's benefit, it seems
19 to us that the more information you have about the
20 survey the better off you will be, and you can take
21 it, give it the weight that it's due. You're not
22 usually terribly strict about sponsorship of documents
23 and information. I don't mean to indicate that you
24 act inappropriately, but to be in an administrative
25 hearing, the idea is to get as much information as you

1 can so you'll have a full record. And you are more
2 flexible sometimes than a court would be in admitting
3 evidence. And I suggest that you go ahead and admit
4 the whole Survey, then you'll have it and you can make
5 your own judgment on it.

6 **CHAIRMAN JOHNSON:** And we're going to have
7 Ms. Menard sponsor --

8 **MS. CASWELL:** She will sponsor the exhibit.

9 **COMMISSIONER JOHNSON:** I'll tell you what,
10 we'll go ahead and have that marked, and then I'll
11 allow the objections to be heard, make a ruling and
12 then the other one may be relevant or it may not be
13 relevant. And I do have the text here, so we'll mark
14 that is Exhibit 10.

15 **MS. CASWELL:** I'm sorry. I'm not sure I
16 understand the process. We're going to argue about it
17 later?

18 **CHAIRMAN JOHNSON:** No, we're going to argue
19 about now. I was marking it as Exhibit 10.

20 **MS. BROWN:** Could Staff move Exhibit 7
21 Ms. Menard's deposition, first?

22 **CHAIRMAN JOHNSON:** Okay. We'll go ahead and
23 show 7 admitted without objection, and 8 and 9 were
24 both late-filed?

25 **MS. BROWN:** Yes, ma'am.

1 (Exhibits 7 received in evidence.)

2 **CHAIRMAN JOHNSON:** Now, 10 has been
3 identified, and it is the survey, the complete survey.

4 Now, Mr. Beck.

5 (Exhibit 10 marked for identification.)

6 **MR. BECK:** Briefly, Chairman Johnson, I
7 asked Ms. Menard what her background was in market
8 research, and to the best of my recollection, she
9 didn't have much other than having reviewed some
10 research that had been done by others. I believe she
11 said had no background in survey design or the wording
12 of questions used in surveys. I don't believe she is
13 competent to sponsor that exhibit.

14 **CHAIRMAN JOHNSON:** Okay. Ms. Caswell.

15 **MS. CASWELL:** I think Mr. Beck made whatever
16 points he wanted to make through cross examination of
17 Ms. Menard using this very exhibit, and since that is
18 going to be in the record, and it involves this
19 exhibit and this exhibit is only a portion of --

20 **CHAIRMAN JOHNSON:** We haven't determined
21 that the other one was going to be in yet.

22 **MS. CASWELL:** Well, that's kind of what my
23 objection is conditioned upon. I don't care if this
24 comes in if the other exhibit comes in, because then
25 we will have the entire document. And that is

1 customarily, as I understand it, what happens under
2 the evidentiary rules, that if a portion of a document
3 comes in, the entire document must come in out of
4 fairness to the opposing party. And I would add that
5 if the survey doesn't come in, there was a substantial
6 amount of testimony this morning about the survey's
7 design. And I'm going to have to object, just to
8 preserve my points on appeal, to all of that testimony
9 about the survey's design if the Survey itself does
10 not come in. Because that's a technically appealable
11 point.

12 **CHAIRMAN JOHNSON:** I'm going to admit the
13 Exhibit 10, and I don't know if there's a need for --
14 well, I guess we could keep 5 if you just want that
15 excerpt for purposes of clarification, so I'll admit
16 both 5 and 10.

17 (Exhibits 5 and 10 received in evidence.)

18 **CHAIRMAN JOHNSON:** Any other matters for
19 this witness?

20 Thank you, Ms. Menard. You're excused.

21 (Witness Menard excused.)

22 - - - - -

23 **MS. CASWELL:** GTE calls Skip Gancarz.

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SERGIN GANCARZ

was called as a witness on behalf of GTE Florida Incorporated and, having been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MS. CASWELL:

Q Can you please state your name and business address for the record?

A My name Sergin Gancarz. I work for GTE Florida, and I work at 201 North Franklin Street in Tampa.

Q And in what capacity are you employed with GTE Florida?

A At the present time I am the 813 NPA NNX administrator and the 941 administrator.

Q Did you file direct testimony in this proceeding?

A Yes, I did.

Q And did that testimony include as an attachment Exhibit SJG-1, which consisted of four pages?

A Yes, it did.

Q Do you have any changes to your direct testimony or to the exhibit?

A No, I don't.

1 **Q** So that if I were to ask you those same
2 questions today would your answers remain the same?

3 **A** Yes.

4 **MS. CASWELL:** Madam Chairman, I'd like to
5 ask at this time that Mr. Gancarz's testimony be
6 inserted into the record as though read.

7 **CHAIRMAN JOHNSON:** It will be so inserted.

8 **MS. CASWELL:** And I'm not sure if this is
9 the place to do it, but I'd like to request an exhibit
10 number for SJG-1.

11 **CHAIRMAN JOHNSON:** It will be identified as
12 Exhibit 11.

13 (Exhibit 11 marked for identification.)

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1 **GTE FLORIDA INCORPORATED**

2 **DIRECT TESTIMONY OF SERGIN J. GANCARZ**

3 **DOCKET NO. 980048-TL**

4

5 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

6 **A. My name is Sergin J Gancarz My business address is 201 North**
7 **Franklin Street, Tampa, Florida**

8

9 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

10 **A. I am employed by GTE Florida as an Administrator in Inventory**
11 **Management.**

12

13 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND,**
14 **WORK EXPERIENCE, AND CURRENT RESPONSIBILITIES**

15 **A. I began work with GTE Florida in November 1970 as an Equipment ,**
16 **Technician. I repaired and maintained a variety of step-by-step and**
17 **analog switching systems. In 1979, I was promoted to the position of**
18 **Instructor in the GTE Training Department where I instructed GTE**
19 **Florida employees in analog and digital switching systems and related**
20 **matters. In August 1989, I assumed the position of NPA NXX**
21 **administrator in Network Planning. This entailed processing requests**
22 **for NXX codes within the Florida 813 and 941 NPA's in accordance with**
23 **standards and procedures set up by the International Numbering**
24 **Committee under control of BELLCORE in Livingston, New Jersey**

25

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

2 **A. The purpose of my testimony is to explain the problem of the 813 area**
3 **code exhaust and to provide a relief option in accordance with the**
4 **consensus reached by the Telecommunications Industry on November**
5 **17, 1997.**

6

7 **Q. UNDER WHAT GOVERNANCE ARE AREA CODES ADMINISTERED?**

8 **A. The North American Numbering Plan (NANP) governs the assignment**
9 **and use of telephone numbers in North America. The NANP standards**
10 **comport with the international numbering standards established by the**
11 **International Telephone and Telegraph Consultative Committee.**
12 **These standards provide the accepted format for telephone numbers--a**
13 **three digit Numbering Plan Area (NPA), a three digit central office code**
14 **(NXX) and a four digit station number.**

15

16 **The NANP is currently administered by BELLCORE. However, as the**
17 **predominant local exchange service provider in the West Central**
18 **Florida area, GTE Florida is obliged to act as the administrator for the**
19 **assignment of NXX codes within the 813 NPA and to monitor code**
20 **usage. In that capacity, GTE Florida has determined that the 813 area**
21 **code will exhaust in the 4th Quarter of this year.**

22

23 **Q. THE 813 NPA WAS SPLIT TWO YEARS AGO IN MARCH, 1996.**
24 **WHY IS ANOTHER SPLIT NECESSARY SO SOON?**

25

1 A. The 813 NPA was split into the 813 and 941 NPA's in March of 1996
2 At that time it was projected that the 813 area code would last until
3 2002. The accelerated rate of exhaust of the 813 area code is
4 attributed to the higher than projected introduction of new services,
5 cellular, paging, internet, and fax machines, along with the introduction
6 of competition for local services

7

8 **Q. HOW IS AN EXHAUST DETERMINED?**

9 A. The NPA is considered to be in need of relief when the 784 NXX codes
10 are nearing exhaust. GTE Florida, as central office code administrator
11 for the 813 NPA, continuously monitors the NXX code utilization and
12 assignment. In the course of these duties, the number of assigned
13 codes is always known.

14

15 Additionally, GTE Florida tracks the rate of code assignment requests.
16 With these two data elements, total assigned codes and rate of
17 requests, a determination can be made of the forecasted exhaust of all
18 codes and thus the exhaust of the NPA code.

19

20 **Q. WHAT IS THE CURRENT STATUS OF THE 813 AREA CODE?**

21 A. The 813 NPA today encompasses Pinellas County, Hillsborough
22 County and southern Pasco County in West Central Florida. Of the
23 possible 784 codes, 135 NXX codes remain to be assigned.

24

25

- 1 **Q. ONCE THE FORECASTED 813 NPA EXHAUST WAS DETERMINED,**
2 **WHAT STEPS DID GTE FLORIDA TAKE TO FORM RELIEF PLANS?**
- 3 **A. Upon identifying the exhaust of the 813 NPA, GTE Florida reviewed the**
4 **possible options to provide relief. This included three geographic split**
5 **options and an overlay.**
- 6
- 7 **GTE Florida notified all known code requestors and potential code**
8 **requestors doing business in the 813 area code, the Public Service**
9 **Commission, and the North American Numbering Plan Administration**
10 **of an industry meeting. The meeting was held on September 30, 1997**
11 **to present the relevant information to the parties and to reach a**
12 **consensus on a relief plan.**
- 13
- 14 **Q. WHAT ARE THE AVAILABLE METHODS FOR RELIEF OF AN NPA**
15 **EXHAUST?**
- 16 **A. As defined in the Industry Carriers Compatibility Forum in their Code**
17 **Relief Planning and Notification Guidelines, the primary alternatives for**
18 **NPA relief are a geographic split or an overlay.**
- 19
- 20 **Q. WILL YOU BRIEFLY DESCRIBE THESE ALTERNATIVES?**
- 21 **A. The NPA geographic split method divides the exhausting NPA into**
22 **geographic areas. This method leaves the existing NPA to serve the**
23 **area with the highest NXX usage, thus minimizing number changes,**
24 **and assigns the new NPA to the remaining area.**
- 25

1 The overlay method occurs when more than one NPA serves the same
2 geographical area. In this situation code relief is provided by opening
3 a new NPA within the same geographic area as the existing NPA.
4 Numbers from the new NPA are assigned to growth on a carrier-neutral
5 basis. While number changes for existing customers are eliminated,
6 changes to customer dialing patterns will occur. This method makes 10
7 digit local calls within the NPA mandatory.

8

9 **Q. WHAT WERE THE RESULTS OF THE SEPTEMBER 30, 1997**
10 **INDUSTRY MEETING CONCERNING THE METHOD FOR 813 NPA**
11 **RELIEF?**

12 **A. The September industry meeting was reconvened on November 17,**
13 **1997. At this meeting it was agreed that the overlay relief method was**
14 **the best choice for implementation. This was a unanimous decision of**
15 **the telecommunication industry representatives. Three split options**
16 **plus the overlay were presented, but in any split option varied dialing**
17 **plans resulted.**

18

19 Option 1 was the overlay relief plan.

20 Option 2 Split Pinellas County and Hillsborough/Pasco

21 Option 3 Split Pinellas/Pasco and Hillsborough/Pasco

22 Option 4 Split Hillsborough and Pinellas/Pasco

23 See Exhibit No. SJG-1

24

25 No further relief options were presented by the industry.

1 **Q. WHAT DECISION DID THE INDUSTRY REACH UPON**
2 **CONSIDERATION OF THESE OPTIONS?**

3 **A. The Industry reached unanimous consensus on using the overlay**
4 **option because:**

- 5 - It was the most cost effective for customers, in that number
6 changes would not be required
7 - It provided the most consistent and least confusing dialing plan
8 since ten-digit dialing would be required for the whole NPA area
9

10 **Q. WHY DID THE INDUSTRY REJECT THE VARIOUS GEOGRAPHIC**
11 **SPLIT OPTIONS?**

12 **A. The Industry rejected all split options because**

- 13 - A large number of customers would be required to change their
14 telephone numbers and incur the associated cost
15 - No definable boundary could be drawn that did not involve
16 various ten- and seven-digit dialing plans
17

18 **Q. EVEN THOUGH NO EXISTING TELEPHONE NUMBERS WILL BE**
19 **REQUIRED TO CHANGE WITH THE OVERLAY METHOD, WILL**
20 **THERE BE INSTANCES IN WHICH CUSTOMERS HAVE TO ACCEPT**
21 **TELEPHONE LINES WITH A DIFFERENT AREA CODE WHEN**
22 **ADDING TO THEIR EXISTING HOME OR BUSINESS SERVICE?**

23 **A. It is possible that at some time in the future a customer would be asked**
24 **to take a different area code for an additional service residing in the**
25 **same building. This is a relatively unlikely possibility due to the fact**

1 GTE Florida plans to include in number assignment the ability to make
2 assignments in the same area code as existing services, whenever
3 possible.

4

5 **Q. WHEN SHOULD THE NPA RELIEF BE IMPLEMENTED?**

6 **A. The 813 relief option selected by the telecommunications industry**
7 **should be implemented as soon as possible, with a cut-off date of**
8 **October 4, 1998.**

9

10 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

11 **A. Yes, it does.**

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1 Q (By Ms. Caswell) Mr. Gancarz, can you
2 please give us a brief summary of your testimony?

3 A Yes. In my role as the NPA NNX
4 administrator, the exhaust of the 813 is very critical
5 at this time. We are now down to 125 available NNX
6 codes in this area. We've heard various testimony
7 about numbers and the availability of them, but I'm
8 under the constraints of when I run out of the NNX
9 codes I don't have any more numbers. And last year we
10 used 120 of them. So with 125 left there's not room
11 for much more argument. We need to do something and
12 we need to do it quick.

13 I don't think there's any viable solutions
14 being touted in the industry right now that we can
15 wait for. The 813 is going to exhaust in 1998. We
16 need to get the planning portion of this started as
17 soon as possible, and get -- because the
18 telecommunications industry and everybody needs time
19 to work this out. The change must be done as soon as
20 we can get it done. Whether it is a split or an
21 overlay, we must get the implementation process going
22 now.

23 As has been discussed in this, the
24 telecommunications industry as a whole voted for the
25 overlay. It was my responsibility as the NNX

1 administrator to bring the industry together, present
2 various plans to them, take their opinions, and make a
3 decision on what we were going to do by what they told
4 me.

5 We invited every codeholder and possible
6 people that had interest in the process to all of
7 these industry meetings. Only 13 of them showed up at
8 the meetings, but every one of them voted for the
9 overlay. And by every one, GTE Florida only had one
10 vote. We may be getting the brunt of this, but we
11 only had the one vote. The rest of them only had one
12 vote, but it was unanimous for an overlay after all of
13 the ramifications were explained. Thank you.

14 MS. CASWELL: Mr. Gancarz is available for
15 cross examination.

16 CHAIRMAN JOHNSON: MCI?

17 MR. BOND: MCI has no cross.

18 CHAIRMAN JOHNSON: AT&T?

19 MS. RULE: No cross.

20 CHAIRMAN JOHNSON: Mr. Beck?

21 MR. BECK: Thank you, Chairman Johnson.

22 CROSS EXAMINATION

23 BY MR. BECK:

24 Q Mr. Gancarz, good afternoon.

25 A Good afternoon.

1 Q Could you turn to Page 3 of your testimony
2 where you discussed the process that you used to
3 determine an exhaust of area codes?

4 A Uh-huh.

5 Q And you briefly describe it starting at
6 Line 8, the answers underneath the question. Let me
7 take you through that a little bit if I could.
8 Basically you say that the number of assigned codes is
9 always known; is that right?

10 A Right.

11 Q That's the number of NNXs which -- NXX is
12 the first three digits of a 7-digit telephone number,
13 is it not?

14 A It's the second three digits of your
15 10-digit telephone number.

16 Q The same thing. So you know how many are
17 actually assigned at any given point in time; is that
18 right?

19 A Yes.

20 Q Okay. Then starting at Line 15 you say that
21 you also know the rate of code assignments; is that
22 right?

23 A Yes.

24 Q Okay. And you use those two pieces of
25 information to extrapolate into the future what the

1 use of NXX codes will be; is that right?

2 A Correct. Yes.

3 Q Okay. Now, when you determine the rate of
4 code assignments, how do you do that?

5 A Using the last year's number of codes that
6 were used.

7 Q Did you pick two points in time?

8 A Yes.

9 Q Okay. What were the two points in time that
10 you used for the forecast that's been discussed here?

11 A The original forecast would have been from
12 the first day of '96 to the last day of '96. And
13 lately I had to use 1-1-97 to the end of '97 for
14 better results.

15 Q But at any time you make a forecast you only
16 use those two points to cover a one-year period; is
17 that right?

18 A Correct.

19 Q And you use straight-line extrapolation then
20 to forecast the use of those codes?

21 A Basically, yes.

22 Q We've had a number of people testify about
23 the expected exhaust dates of various geographic split
24 alternatives, as well as the overlay alternative. You
25 were here when that was discussed, were you not?

1 A Yes, I was.

2 Q Are those forecasted exhaust dates
3 determined the same -- using the same methodology?

4 A Basically, yes.

5 Q So, for example, they discussed earlier an
6 Option 3, that the expected exhaust date for
7 Hillsborough would be four to six years. I believe.
8 Was that forecasted using two points of time and then
9 a straight-line extrapolation of usage?

10 A Yes.

11 Q For that four to six years for Hillsborough,
12 what were the two points that were used to determine
13 the rate of use?

14 A All of my forecast calculations are based on
15 the COCUS report that is filed every year with
16 Bellcore. And that calculation calls for the first
17 day of the year to the last day of the year. So that
18 is what we were using with our forecast, was the first
19 day to the last day.

20 Q What was the year that you used?

21 A Originally it was 1996.

22 Q Okay. Specifically for the four to six
23 years --

24 A This was 1997.

25 Q That was using, what, the beginning -- the

1 first day and last day of 1997?

2 A Correct.

3 Q Okay. And by straight-line extrapolation,
4 that's kind of -- that's essentially if you have graph
5 paper, you took two points, connected them and then
6 just put a straight line on there?

7 A Yes.

8 Q Doesn't that assume that there will be no
9 measures taken to conserve numbers in the future?

10 A I don't know that it takes into
11 consideration that there's not going to be any
12 conservation. I think what it looks at is the usage
13 that is in place, and rather than trying to assume
14 that something will come in that will save you, it is
15 better to look at what if something don't come in to
16 save you.

17 Q Okay. But if you know, doesn't it
18 implicitly assume that nothing will change as -- the
19 conditions that existed during that one-year period
20 will stay constant into the future?

21 A No. I built in a growth factor rather than
22 taking some away.

23 Q What do you mean by that?

24 A For instance, the forecast that you are
25 talking about based on my 1997 data which used 120 NXX

1 codes in that period of time, I added a total growth
2 factor of 10%, which might be fair, might be less than
3 optimistic, but it seemed like it was just about equal
4 between cellulars, pagers and what we were growing,
5 and competition I had to exclude for the time being.
6 And I just figured a 10% growth above the 120 which
7 gave me 132 codes for the next year.

8 I also included in there the fact that we
9 would probably gain two new competitors in that time,
10 each of them taking four codes, which came out to be
11 140 codes per year.

12 Q So your forecast, then, is based on using
13 140 NXX codes every year?

14 A Right. That seemed to be somewhat of an
15 average for the next five or six years, so I used 140
16 for all of them.

17 Q And during the most recent 12-month period
18 you used 120?

19 A Correct.

20 Q You provided us some work papers, did you
21 not, in response to document requests?

22 A Sure.

23 MR. BECK: Let me pass out some of them and
24 maybe use that to help.

25 CHAIRMAN JOHNSON: Do you want this marked?

1 **MR. BECK:** Yes, please.

2 **CHAIRMAN JOHNSON:** We'll mark it as
3 Exhibit 12.

4 (Exhibit 12 marked for identification.)

5 **Q** **(By Mr. Beck)** Mr. Gancarz, do you have
6 that exhibit in front of you?

7 **A** Yes.

8 **Q** Could you leaf through it quickly to see if
9 you recognize that these are work papers of yours?

10 **A** Yes, they are.

11 **Q** I'd ask you to turn to the first page, which
12 has a page number 485 at the bottom.

13 **A** Yes.

14 **C** Is this your forecast for growth in pagers?

15 **A** Yes, it was.

16 **Q** Okay. Could you briefly describe how you
17 did that?

18 **A** We totalled up the paging codes. I wanted
19 to use the same period of time, 1-1-97 until the end
20 of '97. Two of those codes were put in place in '98,
21 so I temporarily put them aside and figured we had 62
22 paging codes and figured 25% growth for pagers.

23 **Q** What did you base the 25% growth per pagers
24 on?

25 **A** That was based on the previous year to '97

1 growth ratio. I was basically at 45 or 46 and went to
2 60, so it was about a 25% growth.

3 Q So at the end of 1997 your 62 NXX codes
4 assigned to paging; is that right?

5 A Right.

6 Q You said yes?

7 A Yes.

8 Q And then you assumed that there are -- or
9 your calculations showed that there would be 16
10 additional NXX codes that would be used during 1998?

11 A That's correct.

12 Q Could you go to the next page, which is
13 Page No. 497 at the bottom?

14 A Yes.

15 Q This shows growth for POTS and DID; is that
16 right?

17 A Yes.

18 Q Okay. And POTS being plain old telephone
19 service?

20 A Correct.

21 Q And that's GTE's use of NXX codes?

22 A That would be us and any competitor that is
23 doing POTS.

24 Q Does that include ALECs for alternative
25 local exchange companies as well?

1 A The CLECs are included at the bottom of the
2 page.

3 Q Okay. And you determined that GTE would use
4 36 additional codes during 1998?

5 A Correct.

6 Q Correct. And that's a 5% growth for POTS
7 plus a 3.5% growth for DID; is that right?

8 A Yes.

9 Q Could you briefly describe what DID is?

10 A Those are trunks going to businesses, going
11 to PBXs, various customer-owned switches.

12 Q And on the next page you have your growth
13 for the competitive local exchange companies; is that
14 right?

15 A That's true.

16 Q And you show that there were 39 NXXs
17 assigned to them at the end of 1997; is that correct?

18 A Right.

19 Q And you show 10% growth in that --

20 A Yes.

21 Q -- is that right? But then you also have
22 eight codes for new providers as well, in addition to
23 that; is that right?

24 A Right.

25 Q How did you determine that?

1 A Basically, by guess.

2 Q Is there any historical data that you used?

3 A No. Because the competition factor is kind
4 of recent. It hasn't been around that long. There is
5 not really a basis to guess on, but it is a guess.

6 MS. RULE: Commissioners, I need to
7 interject an objection at this point. We're
8 investigating the basis for these numbers. Depending
9 on the basis for the numbers of NXXs assigned to the
10 various carriers, we may consider them to be
11 confidential. But at this point it's not clear to us
12 whether these numbers are requested or assigned.

13 MS. CASWELL: Marsha, I have been told that
14 they are assigned already and that --

15 MS. RULE: Then we have no objection.

16 WITNESS GANCARE: They are already present
17 in the LERG.

18 Q (By Mr. Beck) There's been no claim by GTE
19 of confidentiality of any of this material, has there?

20 A No.

21 Q Let's get back to that.

22 You have eight codes for new providers that
23 you use your judgment, basically?

24 A Yes.

25 Q Why did you multiply that by five?

1 A At that time, I figured five providers would
2 come into this whole area.

3 Q Five providers, each using eight codes, NXX
4 codes each year?

5 A Right. Correct.

6 Q Is there anything you haven't told us that
7 you used as a basis for determining that, other than
8 just judgment?

9 A No. It was just judgment.

10 Q Okay. The next page, which has 611 at the
11 bottom, shows your growth for cellular and PCS; is
12 that right?

13 A Yes, it does.

14 Q And this shows that there were 96 codes for
15 cellular PCS at the end of 1997, does it not?

16 A Yes.

17 Q And you forecasted 20 additional codes in
18 1998?

19 A Yes.

20 Q Was that based on historical data?

21 A Yes, it was.

22 Q Okay. Then in addition to that you have
23 eight codes for new provider times two or additional
24 16.

25 A That would be two PCS providers coming into

1 the area.

2 Q How did you determine that?

3 A Again, it was by guess.

4 Q Okay. And why eight codes for the two
5 providers?

6 A Figuring they would take one in each rate
7 center.

8 Q And that's how you determined the total for
9 PCS and cellular?

10 A Right.

11 Q Could you go to the last page, which has the
12 484 at the bottom.

13 A Uh-huh.

14 Q Does this kind of sum up the forecast you
15 did for usage in 1998?

16 A Yes.

17 Q Would you agree that -- let me ask this.
18 Each of the codes you assigned we have been talking
19 about carriers 10,000 numbers with it, does it not?

20 A Yes, it does.

21 Q Okay. If the industry or if the Commission
22 goes to either number pooling blocks of 1,000 or less
23 or rate center consolidation, that would affect your
24 forecast, would it not?

25 A I don't see how it can get there that

1 quickly but if it did, it might, yes.

2 Q Let me put it this way, it won't affect your
3 forecast for the immediate need of some kind of relief
4 right now; is that right?

5 A That's true.

6 Q But would it effect the exhaustion date that
7 had been forecasted for the various geographic split
8 scenarios?

9 A Again, counting on something to save you
10 from running out usually costs you more than it does
11 if you look at the worse possible case.

12 Q One last item, Mr. Gancarz. We asked you to
13 provide your estimate for the exhaustion if there's a
14 three-way split. One section going to Hillsborough,
15 one area code going to Pinellas, and another going to
16 a portion of Pasco served by 813 currently; is that
17 correct?

18 A Yes.

19 Q Okay. And you sponsored the answer to that
20 in an interrogatory, did you not?

21 A Yes.

22 Q Okay. And could you briefly describe how
23 you determined your forecasted exhaustion date for
24 each of those scenarios?

25 A Basically, it was taking the number of codes

1 in use, in each of the areas, using the forecasted
2 data for '97 and projecting it onwards.

3 Q And in your response to the interrogatory
4 you stated that GTE believes that the North American
5 Numbering Plan Administration would deem such a
6 three-way split infeasible; is that right?

7 A It goes basically against the guidelines for
8 NPA assignment in that we would be lasting more than
9 two years in Hillsborough County. And the guidelines,
10 while they don't target it specifically, say that it's
11 not recommended that two NPAs be assigned when more
12 than two years is left in one or the other NPAs.

13 Q Okay.

14 MR. BECK: Thank you. That's all I have.

15 CHAIRMAN JOHNSON: Staff? Oh, I'm sorry.
16 You want this marked Exhibit 13.

17 MR. BECK: Yes.

18 CHAIRMAN JOHNSON: GTE's Response to
19 Citizens Interrogatory 1.

20 (Exhibit 13 marked for identification.)

21 CHAIRMAN JOHNSON: Staff?

22 MS. BROWN: Chairman Johnson, we would like
23 to have marked for identification Mr. Gancarz's
24 February 16th, 1998 deposition transcript and his
25 deposition and Late-filed Deposition Exhibit Nos. 1

1 through 10. Staff identified it as SJG-2. Also his
2 errata sheet for that deposition.

3 **CHAIRMAN JOHNSON:** We will identify that as
4 14, and it will be Staff Composite SJG-2 and it will
5 include the errata sheet.

6 **MS. BROWN:** Thank you.

7 (Exhibit 14 marked for identification.)

8 **CROSS EXAMINATION**

9 **BY MS. BROWN:**

10 **Q** Mr. Gancarz, when we met for your deposition
11 eight days ago, you said that were 130 codes left in
12 the 813 area code; is that correct?

13 **A** That's correct.

14 **Q** So we've lost five codes in eight days?

15 **A** Well, actually, we lost seven, but I got two
16 back. So, yes, in affect we lost five.

17 **Q** Okay. In your experience in dealing with
18 other code administrators like yourself, how long has
19 it been since one of you all has underestimated the
20 length of time that an area code will last?

21 **A** Every time.

22 **Q** Every time you have underestimated it?

23 **A** Yes.

24 **Q** Haven't you overestimated how long it would
25 last, so that it actually ran --

1 A No, it ran before our forecasted date.

2 Q Right. And never has it actually lasted
3 longer than you would have thought?

4 A Not that I'm aware of.

5 Q And in your deposition didn't you tell me
6 that it was your opinion that the times that you had
7 estimated for the different options to last were very
8 conservative?

9 A I thought so.

10 Q And that, in fact, you were afraid they
11 might exhaust sooner?

12 A Yes.

13 Q What is the current exhaust date for the 813
14 area code?

15 A 1-1-99.

16 Q Now, that date, is that the date that begins
17 from the date -- so the exhaust dates would be from
18 the -- the exhaust dates for RBOCs would be from the
19 exhaust of the 813 area code or from the date you made
20 your projection?

21 A Those are from the date that the options
22 were drawn up.

23 Q So what date exactly is that?

24 A If you're talking about the picture options,
25 those were --

1 Q The options that were included, for
2 instance, in your --

3 A Okay. Those were done -- oh, February 18th.

4 Q All right. Let's go back. The picture
5 options that you've seen here today, Option 1,
6 Ms. Menard updated that. In your deposition you
7 estimated that that option would last seven to eight
8 years. Ms. Menard told the Commission earlier it
9 would last six to eight years. What date does that
10 start from?

11 A That date would start from the date of the
12 overlay, October 4th, through whatever that date is.

13 Q Okay. The mandatory date?

14 A Right.

15 Q And that would be the same for each?

16 A That date was compiled figuring we would
17 gain 784 new codes and that's all we'd have.

18 Q Okay. Mr. Beck was asking you a couple of
19 questions about the formula you used to calculate the
20 dates. Let me state this in an equation. It is, as I
21 understand it, and you correct me if I'm wrong, actual
22 usage, plus 10% growth per year, plus 10% new CLEC
23 codes, equals the numbers of codes you will use?

24 A That's basically true, yes.

25 Q Do you know how many access lines GTE

1 provides by county for Hillsborough County?

2 A I cannot tell you the number of access
3 lines. I don't get into lines. I can tell you how
4 many NXXs there are per county.

5 Q Did you -- in your deposition we asked that
6 when you come to the hearing that you provide an
7 up-to-date listing of NXXs assigned to the 813 area
8 code. Did you bring that with you?

9 A Yes, I did.

10 MS. BROWN: Chairman Johnson, I'm afraid we
11 only have that one copy that Mr. Gancarz brought with
12 him. Could we have it marked for identification and
13 then we'll provide a copy to the parties when we get
14 back to a copy machine?

15 CHAIRMAN JOHNSON: Okay. I'll mark that 15,
16 and what was the short title? What is the document?

17 MS. BROWN: "Up-to-date NXX Code
18 Assignments."

19 CHAIRMAN JOHNSON: "Up-to-date NXX Code
20 Assignments" will be the short title.

21 MS. BROWN: Thank you, and we'll make sure
22 that this gets distributed to everyone.

23 (Exhibit 15 marked for identification.)

24 Q (By Ms. Brown) In your deposition you
25 stated that you reserved 30 NXXs if the overlay is

1 implemented in order to comply with the FCC
2 requirement that new carriers have access to NXXs in
3 the 813 area code; is that correct?

4 A I wouldn't use the term "reserve," I would
5 use the term not put out for assignment. I would hold
6 back at least 30 codes for new competitors into the
7 813 area.

8 Q If the Commission implements a geographic
9 split, could the 30 NXXs be used to extend the
10 permissive dialing period?

11 A Yes, they could.

12 Q And wouldn't that be helpful since we're
13 going to have, perhaps, a fairly short permissive
14 dialing period?

15 A It would only be helpful if we go to a
16 split.

17 Q Well, let's assume for a minute that we do,
18 that we go to a split. Won't we be faced with a
19 situation where we will have a fairly short permissive
20 dialing period under the guidelines for a geographic
21 split?

22 A Under the guidelines for a geographic split,
23 they like to keep it at about a six-month period. The
24 last time we did it in Florida we thought a nine-month
25 period would be a lot better and had almost a full

1 year. We could push the October date out by using
2 those codes.

3 **MS. BROWN:** That's all I have. Thank you.

4 **CHAIRMAN JOHNSON:** Exhibits? Starting at
5 11, GTE's.

6 **MS. CASWELL:** I'd like to move Exhibit 11,
7 attachment to Mr. Gancarz's testimony.

8 **CHAIRMAN JOHNSON:** Show that admitted
9 without objection.

10 (Exhibit 11 received in evidence.)

11 **CHAIRMAN JOHNSON:** OPC?

12 **MR. BECK:** Move Exhibits 12 and 13.

13 **CHAIRMAN JOHNSON:** Show those admitted
14 without objection.

15 (Exhibits 12 and 13 received in evidence.)

16 **CHAIRMAN JOHNSON:** And Staff?

17 **MS. BROWN:** Staff moves Exhibits 14 and 15.

18 **CHAIRMAN JOHNSON:** Show those admitted
19 without objection.

20 (Exhibits 14 and 15 received in evidence.)

21 **COMMISSIONER JACOBS:** I have one question.

22 In your deposition, Page 13, there's a question you
23 responded to dealing with the motivating factors for
24 the rate of exhaustion, and you indicated here that at
25 the time of your deposition that there was

1 approximately 40% demand from cellular and pagers,
2 approximately 40% from competition and 20% due to
3 growth.

4 **WITNESS GANCARE:** Yes.

5 **COMMISSIONER JACOBS:** Do those numbers
6 pretty much --

7 **WITNESS GANCARE:** They are still fairly
8 accurate.

9 **COMMISSIONER JACOBS:** Competition, as I
10 understand it, is the idea of assigning numbers to
11 CLECs and that's separate and apart from the cellular
12 and pager.

13 **WITNESS GANCARE:** That is correct.

14 **COMMISSIONER JACOBS:** Okay. And it's my
15 understanding that you've actually assigned that 40%
16 or is that in reserve?

17 **WITNESS GANCARE:** That 40% --

18 **COMMISSIONER JACOBS:** For competition.

19 **WITNESS GANCARE:** That 40% would be 40% of
20 the codes assigned in the year 1998.

21 **COMMISSIONER JACOBS:** Okay. Now, do you
22 know if they are in use or not? When you assign them
23 they don't go right into use, do they?

24 **WITNESS GANCARE:** As Ms. Menard said, the
25 requester can at this time, because of our situation,

1 have a panel item tomorrow. Their flight leaves at
2 6:25. And adding that up, we can finish up about
3 5:30.

4 Is that enough time to get to the airport?

5 MS. CASWELL: Do you have to check bags?

6 COMMISSIONER JOHNSON: Is that enough time?

7 MS. CASWELL: If you have to check bags go
8 to the skycap.

9 COMMISSIONER GARCIA: I think you have the
10 most time, Ms. Caswell.

11 MS. CASWELL: I can be very helpful. I'll
12 give you a ride to the airport, make sure you get
13 there. You shouldn't have a problem. Did you say a
14 6:25 flight?

15 CHAIRMAN JOHNSON: 6:25.

16 MS. CASWELL: I don't think there should be
17 a problem.

18 CHAIRMAN JOHNSON: Okay. Then we'll go
19 ahead and try to finish up.

20 We'll call Kelly Faul.

21 MR. BOND: MCI calls Kelly Faul.

22 - - - - -

23

24

25

1 **MCI TELECOMMUNICATIONS CORPORATION**
2 **AND MCI METRO ACCESS TRANSMISSION SERVICES, INC**
3 **DIRECT TESTIMONY OF KELLY FAUL**
4 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**
5 **DOCKET NO 980048-TL**
6 **JANUARY 30 , 1998**
7

8 **L INTRODUCTION**

9 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS**

10 **A. My name is Kelly Faul. My business address is 8521 Leesburg Pike,**
11 **Vienna, VA, 22182.**
12

13 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL**
14 **BACKGROUND.**

15 **A. I am currently employed by MCI in its Local Numbering Group. I am**
16 **responsible for representing MCI with respect to NPA Relief and various**
17 **numbering issues and to participate in numerous state area code relief**
18 **industry meetings and regulatory proceedings. I have been employed by**
19 **MCI for the past fourteen years. From 1994 to 1997, I was Tariff**
20 **Manager in the Business Markets Segment's Business Analysis**
21 **Department, responsible for the federal and state tariff filings for that**
22 **business Segment. From 1986 to 1994 I held various positions in MCI's**
23 **Legal and Information System Department involving commercial litigation**
24 **and arbitration. From 1983 to 1986, I worked in MCI's Litigation Support**
25 **Department in Washington, D C , providing supervisory and**

1 **analytical support to MCI litigation efforts. I have a Masters of Business**
2 **Administration in Management from Virginia Tech, Falls Church, VA and**
3 **a Bachelor of Science in Business Administration from Wheeling Jesuit**
4 **University, Wheeling, West Virginia**

5
6 **II. PURPOSE OF TESTIMONY**

7 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

8 **A. The purpose of my testimony is to identify competitive issues related to the**
9 **Florida Public Service Commission ("Commission") proposal for area**
10 **code relieve in the 813 are code and discuss dialing patterns associated**
11 **with various calling plans**

12
13 **III. AREA CODE RELIEF ALTERNATIVES AND IMPACTS**

14 **Q. WHAT AREA CODE ALTERNATIVES ARE BEING CONSIDERED FOR**
15 **THE 813 AREA CODE?**

16 **A. Two alternatives are being considered for number exhaust relief in the 813 area**
17 **code. The North American Numbering Plan Administrator ("Administrator")**
18 **has recommended to the Commission that an overlay area code be**
19 **implemented in the 813 area code. Another alternative that should be explored**
20 **is a geographic split of the 813 area code**

21
22 **The overlay method would create a new area code that would share the same**
23 **geographic boundaries as the current 813 area code. Customers within this**
24 **area code would be assigned one of the two area codes associated within this**
25 **area.**

1 **The geographic split method would split the existing 813 area code into two**
2 **distinct geographic areas with different boundaries**

3

4 **Q. WHAT TYPES OF IMPACTS SHOULD THE COMMISSION**
5 **CONSIDER WHEN DECIDING WHICH ALTERNATIVE IS BEST**
6 **FOR THE TAMPA AREA?**

7 **A. In selecting which area code relief alternative is best for the Tampa area,**
8 **the Commission should consider end user impacts, the impacts on emerging**
9 **local competition, and to what extent, if any, negative impacts can be**
10 **mitigated.**

11

12 **Q. WHAT ARE THE IMPACTS OF THE SPLIT AND OVERLAY**
13 **ALTERNATIVES ON END USERS?**

14 **A. Unfortunately, some end users will suffer some cost and disruption under**
15 **either the split or overlay alternatives, although the degree to which end**
16 **users are negatively impacted differs based on whether a split or overlay**
17 **alternative is selected.**

18

19 **The end user impacts of an overlay include loss of all 7-digit local dialing**
20 **(because the Federal Communications Commission ("FCC") requires**
21 **mandatory 10-digit dialing for all local calls as a condition for overlay**
22 **implementation); loss of the ability to associate an area code with a unique**
23 **geographic area code; confusion resulting from different area codes**
24 **assigned in the same home, business or neighborhood; cost to customers**
25 **(throughout the overlay area) that currently use their 7-digit number for**

1 advertising, stationery, etc , for new materials with their 10-digit number,
 2 and cost to customers (throughout the overlay area) to reprogram or
 3 replace automatic dialing systems (e g , home alarm and apartment security
 4 systems, elevator emergency phones, etc) that are currently programmed
 5 for 7-digits. Further, safety concerns are created during any period when
 6 such devices are incorrectly programmed

7
 8 The end user impacts of an area code split include need for customers in a
 9 portion of the existing area code to change area codes, some additional 10-
 10 digit dialing required for calling between the old and new area codes, and
 11 cost to customers in the new area code to change advertising, stationery,
 12 etc., to show the new area code

13
 14 Q. WHAT ARE THE IMPACTS OF THE SPLIT AND OVERLAY
 15 ALTERNATIVES ON EMERGING LOCAL EXCHANGE
 16 COMPETITION?

17 A. An overlay plan can significantly frustrate entry by competitors into the
 18 local exchange market, and provide the incumbent LEC ("ILEC"), GTE
 19 Florida, with a competitive advantage, because of the disproportionate
 20 assignment of central office codes (called "NXXs") in the 813 area code to
 21 the ILEC.

22
 23 An overlay plan would introduce a new, unfamiliar area code into the area
 24 currently served by the 813 area code. Callers from within and outside of
 25 Florida are accustomed to the 813 code, and recognize it as being the

1 Tampa area. The new overlaid code, however, would not be familiar, and
2 would thus be less desirable than the existing area codes. As a result,
3 customers would be more likely select a carrier that could give them a
4 number in the more desirable area code

5
6 Currently, the vast majority of these more desirable NXXs in the 813 area
7 code have been assigned to GTE Florida, so if an overlay is implemented,
8 new competitive Local Exchange Companies ("CLECs") would be left to
9 draw NXXs primarily from the new, overlay NPA. This systems of NXX
10 "haves" and "have-nots" is extremely anticompetitive, since it
11 disproportionately affects CLECs just as they are attempting to enter the
12 local exchange market in Tampa

13
14 The FCC recognized this disadvantage in its *Second Report and Order and*
15 *Memorandum Opinion and Order*, CC Docket 96-98, August 8, 1996
16 (*"Local Competition - Numbering Order"*). The FCC noted that
17 incumbent LECs have an advantage over new entrants when a new code is
18 about to be introduced, because they can warehouse NXXs in the old
19 NPA. Incumbents also have an advantage when telephone numbers within
20 NXXs within the existing area code are returned to them as their customers
21 move or change carriers. (*Order* at ¶289)

22
23 Q. HOW CAN THIS AFFECT EMERGING COMPETITION IN THE
24 TAMPA LOCAL SERVICE MARKET?

1 **A.** **This unfair situation will affect the potential for competition in Tampa in**
2 **several ways. CLECs will be unable to compete effectively in the growth**
3 **market of additional lines for fax machines, modems, and the like. This**
4 **market is explosive, and is a primary contributor to the need for NPA relief**
5 **at this time. Even if the scheduled number portability systems allow**
6 **customers to switch to a CLEC without losing their telephone number,**
7 **these same customers will be less willing to use a CLEC for a second or**
8 **third line, even if the CLEC is less expensive or provides better service,**
9 **because the CLEC will only be able to install additional lines if it uses the**
10 **new, less desirable area code. This disparity between NPAs can also**
11 **impact the market for new customers, since new customers may choose a**
12 **carrier based on that carrier's ability to assign a number from the more**
13 **well-known area code. Further, it is in this second line market that CLECs**
14 **are most likely to achieve some initial success. This is because end users**
15 **will be more likely to trial a CLEC's service on a non-essential "second**
16 **line"**

17

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

20 **A.** **No, a geographic split affects all carriers equally. If a geographic split were**
21 **selected for the 813 area, all carriers—both GTE Florida and new**
22 **carriers—would issue 813 numbers in the remaining 813 area, and all**
23 **carriers would issue numbers with the new area code in the new area.**
24 **Thus, all carriers have equal access to the same number resource.**

25

1 Q. DOES MCI RECOMMEND THAT A GEOGRAPHIC SPLIT OR
2 OVERLAY OPTION BE IMPLEMENTED IN THE TAMPA AREA?

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

9
10 If the Commission chooses an overlay alternative, though, it is critical that
11 the Commission take steps to mitigate the anticompetitive impacts of an
12 overlay, and more efficiently use the limited number resource so as to
13 reduce the need for more disruptive area code relief.

14

15 Q. WHAT STEPS CAN THE COMMISSION TAKE TO REDUCE THE
16 ANTICOMPETITIVE IMPACTS OF AN OVERLAY?

17 A. If an overlay alternative is selected for the Tampa area, MCI urges the
18 Commission to establish the following four conditions:

- 19 1) The current schedule for permanent local number portability (LNP)
20 implementation must be maintained.
- 21 2) Requirement for 10-digit dialing within and between all old and
22 new area codes (consistent with FCC order).
- 23 3) Requirement for GTE Florida to analyze and report on the
24 feasibility of a revenue-neutral Rate Center Consolidation plan for
25 the 813 area.

- 1 4) **Establishment of a workshop or other appropriate process to**
2 **consider number conservation mechanisms, such as Rate Center**
3 **Consolidation, for the Tampa LNP area**
4
- 5 **Q. WHY IS GTE FLORIDA'S PROPOSED LNP IMPLEMENTATION**
6 **PLAN IMPORTANT TO MITIGATE ANTICOMPETITIVE IMPACTS**
7 **OF AN OVERLAY?**
- 8 **A. Although LNP implementation does not solve the competitive disparity**
9 **caused by the disproportionate allocation of NXXs needed for new service**
10 **applications, it does facilitate the ability of end users to keep their existing**
11 **813 numbers when switching their existing service to a new carrier. As a**
12 **result, LNP is one of several critical components to mitigate the**
13 **anticompetitive impacts of an overlay**
14
- 15 **Q WHY IS 10-DIGIT DIALING A CRITICAL FACTOR IN MITIGATING**
16 **THE ANTICOMPETITIVE IMPACTS OF AN OVERLAY?**
- 17 **A. The FCC concluded that local dialing disparity would occur absent**
18 **mandatory 10-digit dialing, because all existing users would remain in the**
19 **old area code and dial 7-digits to call others with numbers in that area**
20 **code, while new users with the overlay code would have to dial 10-digits to**
21 **reach any customers in the old code (*Local Competition - Numbering***
22 **Order, ¶287). As a result, customers would find it less attractive to switch**
23 **carriers because CLECs would have to assign their customers numbers in**
24 **the new overlay area code, which would require those customers to dial**

1 10-digits, while those customers would only have to dial 7-digits for most
2 of their calls if they remained with the incumbent carrier.

3

4 Q. HOW WILL RATE CENTER CONSOLIDATION HELP TO MITIGATE
5 THE ANTICOMPETITIVE IMPACTS OF AN OVERLAY?

6 A. Rate Center Consolidation ("RCC") involves the combining, or collapsing,
7 of existing incumbent LEC rating areas into fewer rate areas, so that fewer
8 NXXs are required by a carrier serving a local calling area.

9 In North America, each central office is assigned a "rate center" for
10 determining the rating and routing of calls in and out. All the subscribers
11 to that central office are considered to exist at a single point at the center
12 of the rate area. Since today all rating and routing is accomplished based
13 on the NPA-NXX digits of a telephone number, CLECs are forced to use
14 unique NXXs for customers in each incumbent rate area in order to
15 preserve incumbent LEC rating and routing. This can lead to an enormous
16 waste of NXXs, especially as CLECs are first entering the local market,
17 because their total customer bases initially will not require so many 10,000
18 number blocks.

19

20 The original purposes for establishing numerous rate areas -- older switch
21 technology and cost variations based on small differences in call distances
22 -- no longer exist. Rate Center Consolidation in the 813 would sharply
23 reduce the number of NXXs required by CLECs, and would allow
24 incumbent LECs to use their NXXs more efficiently. Moreover, if an
25 overlay were implemented, RCC would allow CLECs to make greater use

1 of the relatively few NXXs they manage to acquire in the 813 area, thus
2 reducing the anticompetitive impacts of overlays

3

4 **Q. HOW CAN A RCC PLAN BE IMPLEMENTED IN THE 813 AREA?**

5 **A. A change in rate areas is a relatively simple task from a technical
6 standpoint, but it would necessarily cause impacts (revenue neutral) on end
7 user call rating. Therefore, MCI urges the Commission to direct GTE
8 Florida to work with the industry to develop a plan to present to the
9 Commission within ninety (90) days of an order in this proceeding, which
10 would describe one or more revenue neutral plans for consolidating rate
11 areas in the 813 area, the impact on end user billing, the impact on NXX
12 demand, and any technical considerations. The Commission can then
13 determine if the long term benefits to Florida outweigh any negative short
14 term impacts.**

15

16 **Q. HOW CAN NUMBER POOLING HELP TO MITIGATE THE
17 ANTICOMPETITIVE IMPACTS OF AN OVERLAY?**

18 **A. Number pooling can mitigate the anticompetitive impact of overlays by
19 giving CLECs access to more numbers in the old, more desirable area
20 code. National industry numbering forums, such as the Industry
21 Numbering Committee ("INC") are currently considering the development
22 of a long-term number pooling solution, but a full pooling solution (i.e.,
23 down to the individual line level) may take several years to develop and
24 implement. In the meantime, carriers have begun looking at an interim
25 pooling solution that would use the LNP database to enable the assignment**

1 of NXXs in blocks of 1000 numbers, rather than the 10,000 number blocks
2 required today. This potential solution, sometimes referred to as "1000's
3 block pooling," or "NXX-X/LRN pooling," would assign an NPA-NXX to
4 a rate area, but allow that NPA-NXX to be shared among local service
5 providers who are LNP-capable and offer service to customers within that
6 area. So, for example, a single NXX could be used by as many as 10
7 CLECs for a given rate area, instead of the 10 NXXs that would be
8 required without this type of pooling. Thus, 1000's block number pooling
9 would give CLECs access to more numbers in the old, more desirable area
10 code.

11
12 Although a long-term number pooling solution may not be available for
13 several years, an interim pooling mechanism such as 1000's block number
14 pooling can be implemented in the near term. Carriers in Illinois and New
15 York, including Ameritech and NYNEX, have established a pooling
16 implementation team, and propose to test 1000's block number pooling in
17 this first quarter 1998. Accordingly, MCI urges the Commission to
18 establish a workshop or other appropriate process for consideration of a
19 number pooling mechanism for the Tampa LNP area.

20
21 **Q. ARE THERE OTHER BENEFITS OF RATE CENTER
22 CONSOLIDATION AND NUMBER POOLING?**

23 **A. Yes.** In addition to mitigating the anticompetitive impacts of an overlay,
24 **Rate Center Consolidation** and number pooling will sharply reduce the
25 **overall demand for NXXs.** Taking steps now to conserve the finite number

1 resource will mean that future area code relief in the Tampa area can be
2 postponed, thus protecting Florida consumers from experiencing continued
3 disruptions from area code relief any more often than absolutely necessary
4

5 **IV. DIALING PATTERNS FOR VARIOUS CALL TYPES**

6 **Q. WHAT ARE THE VARIOUS DIALING PATTERNS AVAILABLE?**

7 **A. There are generally three calling patterns which the industry and consumers**
8 **are familiar. They are 7-digit dialing, 10-digit dialing, and "1+" or 11-**
9 **digit dialing.**

10

11 **Q. CAN YOU PLEASE EXPLAIN EACH AND WHEN THEY ARE**
12 **TYPICALLY USED?**

13 **A. Yes. Seven-digit dialing is typically used for local calling within an area**
14 **served by one area code. Ten-digit dialing is also used for local calling in**
15 **areas where there are two or more area codes serving the same geographic**
16 **area or between two area codes which share one local calling area. As**
17 **stated above, 10-digit dialing would be required by all customers if an**
18 **overlay relief plan is established. "1+" or 11-digit dialing is generally**
19 **understood to be used for long distance or toll calling.**

20

21 **Q. WHAT DIALING PATTERNS DOES MCI RECOMMEND FOR**
22 **LOCAL CALLING?**

23 **A. MCI believes that a 7-digit dialing pattern is appropriate for local calls**
24 **within a local calling area served by one area code. Where there is an area**

1 code overlay, 10-digit dialing will be required (*Local Competition -*
2 *Numbering Order* ¶ 287)

3

4 Q. WHAT DIALING PATTERNS DOES MCI RECOMMEND FOR TOLL
5 CALLING?

6 A. "1+" or 11-digit dialing is the industry standard for toll calling and there
7 should be no change to this. Customers are familiar with the "1+"
8 indicating a toll call and there is no reason why this should change due to
9 area code relief

10

11 Q. WHAT DIALING PATTERNS DOES MCI RECOMMEND FOR EAS
12 OR ECS CALLING?

13 A. Since customer in these types of calling plans are use to calls within the
14 EAS or ECS being treated like local calls the calling patterns for local
15 should apply

16

17 V. CONCLUSION

18 Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION
19 REGARDING AREA CODE RELIEF FOR THE TAMPA AREA?

20 A. MCI believes that a geographic split to relieve number exhaust in the
21 Tampa area is pro-competitive and pro-consumer and should be the chosen
22 relief method. MCI recognizes that the Commission will consider all
23 relevant end user and competitive impacts. If, upon consideration,
24 however, the Commission decides that area code relief in the 813 area

- 1 **should be accomplished with an overlay, then the Commission should**
2 **include as conditions to it's decision the following four requirements**
- 3 **1) The current schedule for permanent local number portability**
4 **implementation must be maintained**
 - 5 **2) Requirement for 10-digit dialing within and between all old and**
6 **new area codes (consistent with FCC order)**
 - 7 **3) Requirement for GTE Florida to analyze and report on the**
8 **feasibility of a revenue-neutral Rate Center Consolidation plan for**
9 **the 813 area.**
 - 10 **4) Establishment of a workshop or other appropriate process to**
11 **consider of a number conservation mechanisms, such as RCC, for**
12 **the Tampa LNP area.**

13

14 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

15 **A. Yes, it does.**

16

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25

1 Q (By Mr. Bond) Could you please summarize
2 your testimony?

3 A My testimony that I'm here to speak about
4 today identifies different competitive and end user
5 implications relating to the different NPA relief
6 options that have been presented.

7 Option 1, which is an overlay, which will
8 add a new NPA to current geographic boundaries of the
9 813 area code, has an a few what we consider
10 shortcomings which would include 10-digit mandatory
11 dialing for all of the calls within the area code;
12 excessive advertising and other business costs to
13 businesses; reprogramming of automatic dialing
14 systems, security systems and PBXs, and also that the
15 incumbent LEC, which is GTE, would have all of the --
16 well, most of the 813 NXXs, and that the new entrants
17 would be left with the new NPA.

18 The other three options all entail a
19 geographic split, which is what MCI -- which is what
20 MCI is for. The different splits -- we think that 3
21 and 4 would probably be a better split because the
22 balance between the lives of the two NPAs are more
23 evenly balanced. I think they both are within a few
24 years, whereas the first split has a large discrepancy
25 between the new area code and the old area code.

1 Also, in looking at number conservation
2 numbers, we think a few other things should be looked
3 at, which we talked about today, specifically rate
4 center consolidation and number pooling, which we
5 think may be able to prolong the lives of the NPAs
6 currently and definitely into the future.

7 If the Commission decides an overlay is
8 needed, we would ask that four conditions also be
9 established with that overlay. One, is to maintain
10 the current LNP implementation schedule, which right
11 now is scheduled for May 15th of this year. Require
12 10-digit dialing; have GTE look at possible rate
13 center consolidation. I know there's been talk of it
14 today that it may or may not be feasible, but we think
15 it should be looked at in greater detail, and also to
16 establish either workshops or task forces to study
17 additional number conservation mechanisms.

18 **MR. BOND:** Thank you. The witness is
19 available for cross examination.

20 **CHAIRMAN JOHNSON:** Ms. Caswell?

21 **MS. CASWELL:** Yes.

22 **CROSS EXAMINATION**

23 **BY MS. CASWELL:**

24 **Q** Good afternoon, Ms. Paul.

25 I think in your opening statement you

1 indicated that you believe that the overlay was
2 anticompetitive because new entrants would get the new
3 area code while GTE was left with the existing 813.
4 What I'd like to ask you is whether MCI holds numbers
5 already in the 813 area code?

6 A We do hold some codes.

7 Q I'm sorry. And do you know how many?

8 A I'm not exactly sure of the number.

9 Q Would you accept, subject to check, that you
10 have 160,000 numbers available for assignment in the
11 813 area code?

12 A We may. Would you like us to check? If we
13 do have 16 NXXs, that would be right.

14 Q And do you know that you have the ability to
15 request more NXXs up to October of 1998?

16 A Correct.

17 Q Did you hear Mr. Gancarz's testimony that
18 the current codeholders who voted on this matter were
19 unanimous in their choice of the overlay?

20 A Correct.

21 Q MCI was invited to that meeting where that
22 vote was taken, was it not?

23 A We're trying to determine that.

24 Q Okay. Do you think if MCI were invited it
25 would have been reasonable to expect you to go and

1 register your objections at that time, if you had any
2 objections to the overlay?

3 A It would have been reasonable.

4 Q You're recommending 10-digit dialing for all
5 calls in this proceeding regardless of the split or
6 overlay; is that right?

7 A No, only for the overlay.

8 Q Only for the overlay. Okay.

9 Let's go through the conditions you
10 recommend to the Commission. First is that the
11 current schedule for permanent local number
12 portability be maintained. Is that, as you understand
13 it, an industry issue or a GTE-specific issue?

14 A An industry issue.

15 Q And the requirement for 10-digit dialing
16 within and between all old and new area codes if
17 overlay is implemented, that's consistent with GTE's
18 recommendation as well?

19 A Correct.

20 Q And your proposed requirement for GTE to
21 Florida to analyze and report on the feasibility of a
22 revenue neutral rate center consolidation plan, is
23 this issue already under review, as you understand it,
24 at the Commission in workshops?

25 A I'm not aware of that at this time.

1 Q Would you say that that's also an
2 industry-wide issue rather than a GTE-specific issue?

3 A Many other parts of the country are looking
4 at this. Some have been implemented; some are going
5 through implementation.

6 Q So would that be a yes?

7 A Yes.

8 Q And the fourth condition you have is
9 establishment of a workshop or other appropriate
10 process to consider number conservation mechanisms for
11 the Tampa LNP area. And, again, is this issue under
12 review already in the Commission's number portability
13 docket to your knowledge?

14 A I'm not sure.

15 Q Would you say, though, that this is an
16 industry-wide issue as well?

17 A Correct?

18 MS. CASWELL: That's all I've got.

19 CHAIRMAN JOHNSON: Thank you. Mr. Beck?

20 MR. BECK: No questions.

21 COMMISSIONER JOHNSON: Staff?

22 CROSS EXAMINATION

23 BY MS. BROWN:

24 Q Ms. Paul, I'm sorry, I didn't understand
25 your answer to the earlier question about whether MCI

1 attended the industry meetings that were called by GTE
2 to determine a plan for 813.

3 A No, we did not attend.

4 Q You did not attend.

5 You say on Page 3 of your testimony at
6 Line 9 -- well, from Line 7 to 9, that you want to
7 assist the Commission in considering end user impacts,
8 and the impacts on emerging local competition, and to
9 what extent, if any, of these negative impacts for an
10 overlay or for a geographic split can be mitigated; is
11 that correct?

12 A Excuse me, what -- where are you on my
13 testimony?

14 Q I'm on Page 3 of your testimony, Lines 7
15 through 9 -- 7 through 10.

16 A Okay.

17 Q You're asking the Commission to consider
18 impacts on end users and emerging local competitors
19 and what can be done to mitigate negative impacts.

20 A Uh-hun.

21 Q Then your testimony goes on in considerable
22 detail and considers the mitigating things that the
23 Commission could do to lessen the negative impacts on
24 emerging local competition. But I don't see in your
25 testimony anywhere where you talk about any mitigating

1 actions that the Commission can take to lessen any end
2 user impacts?

3 A Well, I think that goes into the very first
4 part of the answer to that question, where the split,
5 as opposed to the overlay, will mitigate some of
6 those. In the split fewer customers will be affected
7 by the 10-digit dialing. Fewer customers will have to
8 reprogram their security systems. Fewer customers
9 will be affected and have to change their advertising
10 or their business stationery, things of that type.

11 Q And if the Commission decides to implement
12 an overlay, you have some mitigating factors for the
13 Commission to consider for competitors for an overlay.
14 Do you have anything that you can think of that would
15 aid customers?

16 A No, I can't at this time.

17 Q You talk on Page 10 of your testimony about
18 interim pooling. What do you mean by an interim
19 pooling solution?

20 A Ultimately, what we would like to see is
21 single number pooling where every single number could
22 be pooled to different carriers regardless of the
23 block the NXX is in. So one of the first steps to
24 that would be to use -- break that 10,000 number
25 blocks into thousand number blocks, and then work down

1 from there. Take those thousand number blocks, which
2 may be contaminated or have some assignment in them,
3 and then keep on going down farther and farther down
4 until we get down to single digit pooling.

5 Q And so interim pooling is sort of the steps
6 along the way?

7 A Correct.

8 Q Don't all of those steps require permanent
9 number portability before they can be implemented?

10 A Correct.

11 MS. BROWN: No further questions. Thank
12 you.

13 COMMISSIONER JOHNSON: Commissioners?

14 COMMISSIONER CLARK: I just have a question
15 on Page 10, Lines 5 and 6. You talk about a change in
16 rate areas as relatively simple task from a technical
17 standpoint, but it would necessarily cause impacts.
18 And then you have in parenthesis "revenue neutral on
19 end user call rating." What do you mean by that?

20 WITNESS PAUL: Depending on how you
21 consolidate your rate centers, you may be changing the
22 boundaries. And right now what is from one rate
23 center to another may be a toll, might be an ECS,
24 might be a local, but by changing those boundaries you
25 may take away some of your toll revenue and make it

1 local.

2 **COMMISSIONER CLARK:** You're saying if it is
3 done, it has to be revenue neutral.

4 **WITNESS FAUL:** That's what we should strive
5 for.

6 **CHAIRMAN JOHNSON:** Any other questions? And
7 there were no exhibits.

8 Thank you, ma'am. You're excused.

9 (Witness Faul excused.)

10

11 **COMMISSIONER JOHNSON:** AT&T?

12 **MS. RULE:** AT&T calls Mr. Bobby Smith.

13 **BOBBY R. SMITH**

14 was called as a witness on behalf of AT&T
15 Communications of the Southern States, Inc. and,
16 having been duly sworn, testified as follows:

17 **DIRECT EXAMINATION**

18 **BY MS. RULE:**

19 **Q** Could you state your name and address for
20 the record, please?

21 **A** It's Bobby R. Smith.

22 **Q** And your address?

23 **A** It's 1200 Peachtree Street, Atlanta,
24 Georgia.

25 **Q** How are you employed?

1 **A** I'm employed by AT&T as a manager in the Law
2 and Government Affairs organization.

3 **Q** Did you prefile testimony in this case
4 consisting of nine pages of rebuttal?

5 **A** Nine pages of direct, yes.

6 **Q** I'm sorry. And do you have any changes or
7 corrections to make?

8 **A** No, I do not.

9 **Q** And if I ask you the same questions as are
10 in your testimony, would your answers be the same?

11 **A** Yes, they would.

12 **MS. RULE:** I'd ask that Mr. Smith's prefiled
13 testimony be inserted into the record as though read.

14 **CHAIRMAN JOHNSON:** It will be so inserted.

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1 DIRECT TESTIMONY OF
2 BOBBY R. SMITH
3 ON BEHALF OF
4 AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.
5 DOCKET NO.: 980048-TL
6

7 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND TITLE.

8 A. My name is Bobby R. Smith. My business address is 1200
9 Peachtree Street N.E., Atlanta, Georgia 30309. I am
10 employed by AT&T as a Manager in the Law & Government
11 Affairs Organization.

12

13 Q. BRIEFLY OUTLINE YOUR EDUCATIONAL BACKGROUND AND BUSINESS
14 EXPERIENCE IN THE TELECOMMUNICATIONS INDUSTRY.

15 A. I received a Bachelor of Arts Degree in 1974, in
16 Sociology from Washington & Lee University in Lexington,
17 Virginia. I received a Master of Business Administration
18 Degree in Marketing/Finance in 1976 from Wake Forest
19 University in Winston-Salem, North Carolina.

20

21 My telecommunications career began in 1976 with Southern
22 Bell (now known as BellSouth) in Charlotte, North
23 Carolina, in the Inventory and Cost Engineering group.
24 In 1979, I transferred to Southern Bell's Service Costs
25 organization in Atlanta, Georgia where I held

1 responsibility for developing cost studies for WATS, coin
2 telephone and data services. In 1981, I accepted a
3 position with AT&T's Marketing department in New York
4 where I held responsibility for the implementation of a
5 new digital data service. In 1983, I returned to Atlanta
6 with AT&T's Government Affairs organization and have held
7 various positions dealing with carrier local access,
8 service pricing, legislative and regulatory policy and
9 other regulatory issues.

10

11 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?**

12 **A.** The purpose of my testimony is to provide information to
13 the Florida Public Service Commission ("Commission")
14 regarding the most appropriate method of relief for the
15 813 Numbering Planning Area ("NPA"). AT&T believes that
16 any NPA relief (i.e. Area Code Plan relief) must be
17 planned and implemented in a competitively neutral manner
18 so that no particular service provider is unduly favored
19 or adversely affected. This is extremely important in
20 order to ensure that competition develops for local
21 telecommunication services. Even though - all relief
22 plans result in some measure of customer inconvenience,
23 AT&T believes that the impact of area code relief on
24 customers can and should be kept to a minimum while
25 promoting the development of local competition for the

1 long term benefit of Florida consumers. AT&T believes
2 that a geographic split best accomplishes these goals in
3 the 813 NPA. If the Commission adopts an overlay,
4 however, it should implement the requirements described
5 below to minimize customer impact while promoting
6 competition.

7

8 **Q. WHY IS THERE AN INCREASING NEED FOR AREA CODE RELIEF?**

9 **A.** The increased demand for telephone numbers due to
10 subscriber growth, second lines, fax machines, cellular
11 phones, pagers, etc., is accelerating the depletion of
12 numbers available for assignment within a NPA. As more
13 and more numbers are assigned within existing central
14 office codes, new NXXs are assigned and used.
15 Eventually, the NPA nears exhaust, that is, the near-term
16 demand for NXXs and telephone numbers exceeds the
17 available quantity of unassigned NXXs and telephone
18 numbers.

19

20 In addition, competition in the local exchange is further
21 increasing the demand on numbering resources. New
22 competing local service providers will need NXXs to
23 provide telephone numbers for their customers. NPA
24 relief has developed into a major issue nationally.

1 Q. WHAT ARE THE AVAILABLE METHODS FOR RELIEF OF AN AREA CODE
2 EXHAUST?

3 A. There are two methods:

4

- 5 • a geographic split or
- 6 • an all services overlay.

7

8 Q. WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF A GEOGRAPHIC
9 SPLIT?

10 A. The advantages are:

- 11 1. The geographic split is the most familiar and least
12 confusing to customers. Each geographic area
13 retains a unique area code.
- 14 2. There are no dialing changes within the home NPA.
15 Customers can continue to dial seven digits within
16 their home area code and 10 digits for toll free
17 local calls outside their home area code.
- 18 3. It does not discriminate against new entrant local
19 service providers. Both the incumbent LEC and new
20 entrants will have NXXs in the existing area code
21 and the new area code. All service providers, in
22 terms of number assignments, are placed on equal
23 footing in each area code.

24

1 4. The new area code will be populated from the
2 outset, and therefore is less likely to be seen by
3 customers as undesirable.

4

5 The disadvantages are:

- 6 1. Existing customers who are in the geographic area
7 no longer served by the existing area code (i.e.
8 813) experience a one-time inconvenience.
9 Businesses must change stationery and advertising
10 and update customer lists. Customer premises
11 equipment, including PBXs, payphones, alarm
12 monitoring systems, speed dialing and fax machines,
13 must be reprogrammed.
- 14 2. It may be difficult to determine the split
15 boundaries for the old and new area code since
16 there may not be any "obvious" boundaries.
17 Additionally, the geographic area served by each
18 NPA after the split will be smaller. Such
19 shrinkage increases with future geographic splits,
20 increasing customer confusion and inconvenience.
- 21 3. Unless cellular numbers are grandfathered, cellular
22 and wireless customers must have their phones
23 reprogrammed, causing inconvenience to the
24 customers and great expense to the companies.

25

1 Q. WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF AN ALL
2 SERVICE OVERLAY?

3 A. The advantages are:

- 4 1. There are no number changes required for existing
5 telephone numbers.
- 6 2. Future area code relief can be accomplished
7 through additional overlays since subscribers will
8 have become familiar with this method.
- 9 3. There is no further geographic division of the
10 Tampa area.

11

12 The disadvantages are:

13

- 14 1. New entrant local service providers who do not
15 already have NXXs in the 813 area code will be
16 assigned NXXs in the new, underpopulated area
17 code, while the majority of subscribers, customers
18 of the incumbent LEC, retain numbers in the
19 existing, familiar area code. Customers of the
20 incumbent LEC will still be able to obtain new
21 numbers from the existing NPA; while customers of
22 new entrants may not. For example, if a customer
23 selects a new competitive LEC, who does not have
24 any 813-NXXs, as its local service provider, the
25 competing LEC would only be able to assign numbers
26 from the new area code for additional numbers.
27 Consequently, new entrants may be competitively

- 1 disadvantaged because customers typically perceive
2 the new area code as less desirable than the old
3 code.
- 4 2. Two or more area codes may be required within the
5 same household or business resulting in customer
6 confusion and inconvenience.
- 7 3. There is a loss of geographic identity with two or
8 more area codes covering the same geographic area.
9 This creates the potential for confusion by
10 telecommunication end users, both within the
11 overlay area and for end users in other area codes
12 unfamiliar with the overlay making calls to the
13 overlay area.
- 14 4. Customers will have to dial more digits, even for
15 local calls with the same area code since 10 digit
16 dialing is mandated by the FCC for all calls, even
17 local calls with the same NPA-NXX (i.e. local
18 calls in the Tampa will require 10 digits).
- 19 5. Customer premises equipment, including PBXs and
20 alarm monitoring systems that have not been
21 programmed for 10 digit dialing will require
22 reprogramming.
- 23
- 24 Q. **WHAT IS AT&T'S RECOMMENDATION FOR 813 AREA CODE RELIEF?**
- 25 A. AT&T supports the geographical split as the first
26 choice for area code relief for the 813 area code.
27 Both geographic splits and all service overlays,

1 however, have advantages and disadvantages as I have
2 previously mentioned. From a technical standpoint,
3 AT&T can and will support either one that the
4 Commission may order. The determining factor should be
5 what the Commission, after hearing the parties'
6 positions and using a public interest standard, deems
7 is in the best interest of the people living and
8 working in the 813 area code.

9

10 **Q. ARE THERE ANY REQUIREMENTS THE COMMISSION SHOULD**
11 **IMPLEMENT IF IT DECIDES THAT A GEOGRAPHIC SPLIT IS IN**
12 **THE BEST INTEREST FOR THE 813 AREA CODE?**

13 **A. Yes. If the Florida Commission were to order a**
14 **geographic split relief option rather than an overlay,**
15 **the Commission should also order the grandfathering of**
16 **wireless and cellular subscribers' phone numbers.**
17 **Unlike wireline customers, wireless customers must have**
18 **their phones reprogrammed when their area codes change.**
19 **Reprogramming analog wireless phones is a complex task**
20 **that customers cannot do themselves; they must instead**
21 **take the phone to a wireless carrier to be**
22 **reprogrammed. This is an unnecessary burden on the**
23 **wireless customer and can be a huge and expensive**
24 **undertaking for a wireless carrier with a large number**
25 **of effected customers.**

26

- 1 Q. WHAT REQUIREMENTS SHOULD THE COMMISSION IMPLEMENT TO
2 PROMOTE LOCAL COMPETITION IF AN ALL SERVICES OVERLAY IS
3 ADOPTED?
- 4 A. In order to offset the competitive advantage enjoyed by
5 the incumbent LEC if an all services overlay is
6 selected for the area code relief, the following items
7 must be implemented:
- 8 1. All remaining NXXs in the old area code must be
9 equitably allocated to all competing carriers,
10 excluding the incumbent LEC.
 - 11 2. Mandatory 10 digit dialing must be required for
12 all local calls.
 - 13 3. The overlay must be applied to all
14 telecommunications carriers.
 - 15 4. Permanent number portability must be up and
16 operating in the 813 area code.
- 17
- 18 Q. WHAT NPA RELIEF PLAN SHOULD THE FLORIDA COMMISSION
19 ADOPT IN THIS DOCKET?
- 20 A. AT&T believes that the Commission should adopt a
21 geographic split in the 813 NPA. If the Commission
22 adopts an overlay, however, it should implement the
23 requirements described above to minimize customer
24 impact while promoting competition.
- 25
- 26 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 27 A. Yes, it does.

1 A Yes, I did.

2 Q AT&T was invited to that industry meeting at
3 which the overlay was chosen, was it not?

4 A I don't know really. I can't say for sure
5 that we were invited. There appears to be some
6 confusion. But I did hear Mr. -- I'm sorry, how do
7 you pronounce his name -- Gancarz, said that we were
8 invited, but I've not been able to determine whether
9 or not we were.

10 Certainly as a policy issue that -- it is
11 our position to attend those types of meetings and
12 participate in those types of meetings.

13 Q Would your counsel object to having GTE
14 submit a list of invitees to that meeting?

15 MS. RULE: I believe it's already in the
16 record.

17 MS. CASWELL: Oh, is it?

18 MS. RULE: Yes.

19 MS. CASWELL: Okay. No need for that then.

20 Q (By Ms. Caswell) Do you know if AT&T
21 Wireless attended that meeting?

22 A I believe I saw a list that their name was
23 on that list as an attendee.

24 Q Are you aware that AT&T Wireless voted in
25 favor of the overlay?

1 A I don't know whether they voted in favor for
2 it or not. Again, there was earlier testimony that
3 said that the decision was unanimous, but I really
4 don't know. I cannot answer that question.

5 Q Would there be any change in your position
6 today if AT&T -- if you find out that -- found out
7 that AT&T Wireless had voted in favor of the overlay?

8 A No, there would not be any change. Again,
9 the organization that I represent is AT&T
10 Communications. And, again, AT&T Wireless is a
11 separate subsidiary, so I do not represent that
12 organization and our policy would not change.

13 Q Okay. As I read your testimony, you believe
14 that the overlay is anticompetitive because if a
15 customer selected a CLEC who does not have any 813
16 NXXs that CLEC would only be able to only assign
17 numbers from the new area code. Is that a fair
18 understanding?

19 A That's correct.

20 Q And doesn't AT&T already have 813 NXXs?

21 A Yes, we do have some codes.

22 Q And can AT&T ask for even more 813 area code
23 numbers?

24 A Certainly. If there are more code numbers
25 available, we can ask for codes. But if we're running

1 into a situation where the codes are going to be in
2 exhaust, then there might not be any more codes
3 available when we ask for codes. And, certainly, we
4 would not be on an equal basis with the incumbent
5 carrier, who has codes already available in the
6 existing and more established NPA. If there are more
7 codes available we could ask for codes.

8 Q Do you know how many phone numbers available
9 in the 813 area code you now have for assignment?

10 A Do I know how many phone numbers?

11 Q In the 813 area code?

12 A No, I do not.

13 Q Would you accept, subject to check, that
14 it's 50,000?

15 A Yes, subject to check, I would accept that.

16 Q How many local customers does AT&T have in
17 the Tampa Bay area?

18 A I don't know the amount of customers that we
19 have in Tampa. I'm not involved in the local
20 marketing. I'm involved in the policy part of the
21 company, so I really wouldn't know how many customers
22 that we have. But, certainly, one of -- my job is to
23 make sure that the proper policy will be implemented
24 that will create an environment where competition will
25 flourish. But to answer your question, no, I do not.

1 Q From your testimony I gather that you
2 believe that GTE won't assign any remaining 813 NXXs
3 to CLECs in the event an overlay. Am I correct in
4 that understanding?

5 A No, that is not my testimony.

6 Q Okay. So you do understand that GTE will
7 continue to assign those 813 NXXs to CLECs, correct?

8 A Yes, I assume that you would. Again, if
9 there are codes available, that those codes could be
10 assigned to new entrants. But if you're running into
11 an exhaust situation and those codes may not be
12 available, and, again, the incumbent carrier will have
13 codes already in the more established area code, and
14 then the new entrants would have to get codes in the
15 less established area code, which to some customers
16 those numbers might be undesirable and they might not
17 choose to take the new entrant's service because of
18 that reason. But I have no reason to believe that if
19 those numbers are available that GTE would not
20 allocate those numbers to new entrants.

21 Q But in a number exhaust situation, wouldn't
22 GTE itself have to assign the new area code to new
23 customers just like the CLEC would?

24 A Well, I guess it's yes and no. You're
25 talking about -- talking about codes. You could have

1 substantially all of the codes in the old established
2 NPA assigned to your switches, and you might have
3 numbers that are available that have not been
4 utilized, the actual telephone numbers themselves.

5 Q And AT&T also has 813 numbers that have not
6 been utilized; is that correct?

7 A That is correct.

8 MS. CASWELL: That's all I have. Thank you
9 Mr. Smith.

10 COMMISSIONER CLARK: Mr. Smith, I just want
11 to follow up on one question. You're saying AT&T
12 Wireless is a subsidiary of your company, or not?

13 THE WITNESS:

14 WITNESS SMITH: AT&T Wireless -- and I don't
15 know how the organization is put together -- but AT&T
16 Wireless is a separate subsidiary and it's separate
17 from the company that I'm a part of.

18 COMMISSIONER CLARK: Okay. Well, if they
19 have no problem with the change, why do you have a
20 problem with it? I mean -- I guess what it really --
21 what I'm really asking is you take the position if you
22 do an overlay that you should grandfather in the cell
23 phones?

24 WITNESS SMITH: No, that if you do a split
25 you need -- you should grandfather the cellular

1 phones.

2 **COMMISSIONER CLARK:** Okay. All right. Now
3 I understand it.

4 **COMMISSIONER JOHNSON:** Mr. Beck?

5 **MR. BECK:** No questions.

6 **CHAIRMAN JOHNSON:** Staff?

7 **CROSS EXAMINATION**

8 **BY MS. BROWN:**

9 **Q** Mr. Smith, do you know whether AT&T
10 participated in the industry meetings that preceded
11 the proposal by BellSouth to implement an area code
12 relief for the 305 area code?

13 **A** I don't know exactly, but I would assume
14 that we did participate in that meeting. I was not
15 assigned to this issue at that time, so I was not
16 tracking what was going on at that particular time
17 with this issue. But I assume that we did attend.

18 **Q** Would you accept, subject to check, that you
19 did not?

20 **A** I will accept that, subject to check, yes.

21 **Q** All right. Commissioner Clark just asked
22 you about grandfathering cellular phones in. How
23 would that work? How would you go about
24 grandfathering cellular phones?

25 **A** All I'm saying is that if you're doing a

1 split, and some of the customers are going to have to
2 change their area code, that you probably would want
3 to grandfather the area code for the existing cellular
4 customers. Because if you don't do that, then the
5 analog customers will have to take their phone to
6 their service provider to be reprogrammed, and that
7 will be a substantial inconvenience for cellular
8 customers. So that's one way that you could help
9 mitigate the impact on those types of customers.

10 Q And you don't think grandfathering cellular
11 phones would violate the assignment guidelines?

12 A No, do I not. And I -- let me try to make
13 myself clear. I'm not saying that -- I'm saying only
14 the existing numbers will be grandfathered. If you
15 got a cellular phone after the split was implemented,
16 then certainly you could be assigned the new area code
17 under that scenario. But the grandfathering, at least
18 my understanding, that it would not violate those
19 guidelines.

20 Q How much does it cost to reprogram a
21 cellular phone for a new area code?

22 A I don't know.

23 Q How much time does it take to reprogram a
24 cellular phone?

25 A I don't know. The exact time, but, again,

1 it's not something that the customer could do, that
2 the customer would have to take that phone to their
3 service provider and have that done. How much time it
4 would take, I don't really know.

5 **COMMISSIONER GARCIA:** Ms. Brown, you're
6 running out of time.

7 **MS. BROWN:** I know. I've no further
8 questions.

9 **MS. RULE:** At the risk of drawing this out,
10 I have quick redirect.

11 **REDIRECT EXAMINATION**

12 **BY MS. RULE:**

13 **Q** Mr. Smith, you heard Ms. Caswell ask you
14 some questions about NXXs held by AT&T?

15 **A** Yes, I did.

16 **Q** And you agreed, subject to check, that there
17 are 50,000 phone numbers or 5 NXXs that AT&T has
18 assigned to it?

19 **A** Yes, I did.

20 **Q** Did you also hear testimony earlier today
21 that there are more than five rate centers in the
22 Tampa area?

23 **A** I believe I did.

24 **Q** So you could not replicate, then, the
25 service offered by GTE with the numbers currently held

1 by AT&T, could you?

2 A No, we could not.

3 MS. BULE: No further questions.

4 CHAIRMAN JOHNSON: Thank you, sir. You're
5 excused.

6 (Witness Smith excused.)

7 - - - - -

8 COMMISSIONER JOHNSON: And Latvala's
9 testimony has already been inserted into the record as
10 though read. We have two late-filed exhibits.

11 MS. BROWN: We don't have a date for those.

12 CHAIRMAN JOHNSON: Okay. Is two weeks
13 sufficient time?

14 MS. CASWELL: Yes.

15 MS. BROWN: We have one other post matter to
16 discuss, whether the parties want to waive submission
17 of briefs in order to speed up the process.

18 MS. CASWELL: Can I speak on that quickly?

19 COMMISSIONER JOHNSON: Sure.

20 MS. CASWELL: Since the matter is already
21 set for decision on April 21st, I think we can
22 accommodate briefing within that schedule. I'd be
23 willing to do it on an expedited basis, but I'm not
24 inclined to give up my briefing rights.

25 MS. BROWN: The idea was that we would move

1 up the recommendation.

2 **COMMISSIONER JOHNSON:** Why don't we try to
3 work that out. To the extent that it can't be worked
4 out, we will bring it to the attention of the
5 prehearing officer. Okay.

6 Seeing no further business, this hearing is
7 adjourned. Thank you very much.

8 (Thereupon, the hearing concluded at
9 5:25 p.m.)

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1 STATE OF FLORIDA)
2 COUNTY OF LEON)

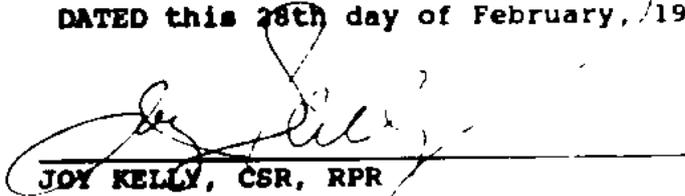
CERTIFICATE OF REPORTER

3 I, JOY KELLY, CSR, RPR, Chief, Bureau of
4 Reporting, Official Commission Reporter,

5 DO HEREBY CERTIFY that the Hearing in Docket
6 No. 980048-TL was heard by the Florida Public Service
7 Commission at the time and place herein stated; it is
8 further

9 CERTIFIED that I stenographically reported
10 the said proceedings; that the same has been
11 transcribed by me and under my direct supervision; and
12 that this transcript, consisting of 353 pages, Volumes
13 1 and 2, inclusive, constitutes a true transcription
14 of my notes of said proceedings, and the insertion of
15 the prescribed prefiled testimony of the witnesses.

16 DATED this 28th day of February, 1998.



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