

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FCC 95-283

In the Matter of)
Administration of the)
North American Numbering Plan) CC Docket No. 92-237

REPORT AND ORDER

Adopted: July 13, 1995

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By the Commission:

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I. INTRODUCTION

1. Effective administration of numbering resources is essential to the realization of the benefits of the public switched telephone network. Changes in the telecommunications industry lead us to reexamine existing numbering resource administration. In this Order, we lay the foundation for future number administration in the United States. We adopt a model for administration of numbering in which the North American Numbering Council will make recommendations to the Commission, develop policy, initially resolve disputes and guide the North American Numbering Plan Administrator. The North American Numbering Plan Administrator will process number assignment applications and maintain administrative number databases. The Commission will set broad numbering administration policy objectives and be the final arbiter of numbering disputes within the United States. The Commission will create the North American Numbering Council under the provisions of the Federal Advisory Committee Act.

2. We require that the North American Numbering Plan Administrator not be aligned with any particular telecommunications industry segment and request the North American Numbering Council to select the Administrator. Central office code administration will be centralized and handled by the new North American Numbering Plan Administrator. We also address funding issues and those related to creating a smooth transition to the new model. Finally, we intend to seek advice from the North American Numbering Council on such issues including, but not limited to, a plan to transfer responsibility for administering central office codes to the North American Numbering Plan Administrator; conservation of numbering resources, including examination of ways to ensure efficient use of number resources; and whether the NANC, after two years, should continue as a federal advisory committee. Additionally, we intend to seek on a continuing basis advice from the North American Numbering Council on steps the Commission can take to foster efficient and impartial number administration.

II. BACKGROUND

A. General

3. The North American Numbering Plan (NANP) is the basic numbering scheme that permits interoperable telecommunications service within the United States, Canada, Bermuda and most of the Caribbean.¹ The plan historically has been developed and administered by the wireline telephone industry, but increasing competition from new entrants

¹ The NANP meets the telecommunications numbering needs of: Anguilla; Antigua and Barbuda; Commonwealth of the Bahamas; Barbados; Bermuda; British Virgin Islands; Canada; Cayman Islands; Dominican Republic; Grenada, Jamaica; Montserrat; Saint Kitts and Nevis; Saint Lucia; Saint Vincent and the Grenadines; Trinidad and Tobago; Turks and Caicos and the United States (including Puerto Rico and the U.S. Virgin Islands).

into the telecommunications market have made continuation of that form of administration untenable.

4. Adequate telephone numbers, available through a uniform numbering plan, are essential to provide consumers efficient access to new telecommunications services and technologies and to support continued growth of an economy increasingly dependent upon those services and technologies.² The NANP erects a framework for assigning the telephone numbers upon which those services depend and for permitting international calls between its member countries to be completed without the need to dial international access codes and international country codes. The advantages of widespread access to such a seamless network are considerable. These numbers are a public resource, and are not the property of the carriers.³ Access to numbering resources is critical to entities desiring to participate in the telecommunications industry. Numbers are the means by which businesses and consumers gain access to, and reap the benefits of, the public switched telephone network. These benefits cannot be fully realized, however, unless numbering resources of the NANP are administered in a fair and efficient manner that makes them available to all parties desiring to provide telecommunications services. To maximize these benefits requires continued international coordination of number administration among member countries of the NANP.

5. The NPRM examined what entities might perform the policy making, dispute resolution and applications processing functions associated with administering the NANP, but did not propose a specific organizational structure for overall administration of the NANP. Nonetheless, the NPRM drew tentative conclusions and sought comments about various aspects of an overall numbering administration structure. Taken together, however, the tentative conclusions suggest a structure under which the Commission would handle ultimate dispute resolution for U.S. numbering issues,⁴ while the NANP Administrator would handle functions "customarily performed by Bellcore" and administration of central office (CO) codes, a task currently performed by local exchange companies.⁵ The Commission tentatively concluded that the new NANP Administrator should be a single, non-government entity that is not closely identified with any particular industry segment.⁶ The Commission also found it

² Administration of the North American Numbering Plan, Notice of Proposed Rulemaking, 9 FCC Rcd 2068 (1994) (hereinafter NPRM) at para. 2.

³ See Radio Common Carrier Service, Appendix B Commission Policy Statement, 59 Rad. Reg. 2d (P&F) 1275, 1284 (1986).

⁴ NPRM at para. 25.

⁵ Id. at para. 29.

⁶ Id. at para. 18.

can and should impose fees to recover its costs of regulating numbering resources.⁷ Regarding the timing of the transition to a new NANP structure, the Commission tentatively concluded that change to a new administrator should be deferred until implementation of interchangeable numbering plan area codes (INPAs) was completed.⁸

6. The NPRM discussed several other numbering issues related to personal communications services (PCS) numbering, local number portability, a uniform dialing plan, carrier identification codes (CICs) and interstate, intraLATA toll calls.⁹ The Commission indicated that further action on PCS numbering related to the assignment of the service access code of 500 would not occur in this docket.¹⁰ We also concluded that more study of the technical feasibility, implementation costs, and overall benefits of number portability was required and deferred consideration of number portability to a future proceeding.¹¹

⁷ Id. at para. 38.

⁸ Id. at para. 17. Interchangeable area codes are area codes that use a number other than "1" or "0" as the middle digit. They were introduced into the public switched telephone network in January 1995.

⁹ In September 1991, the National Association of Regulatory Utility Commissioners (NARUC) petitioned the Commission to begin a broad inquiry into administration of the NANP. In October 1992, the Commission issued a Notice of Inquiry to "explore several long range issues related to administration of the NANP." Administration of the North American Numbering Plan, Notice of Inquiry, 7 FCC Rcd 6837 (1992) (NOI). The NOI consisted of two phases. Phase One focused on who should administer the NANP and how the administration might be improved. It also briefly discussed PCS numbering and local number portability. Phase Two focused on Carrier Identification Codes.

¹⁰ The NPRM noted that the administrator of NANP had announced that it would assign 500 service access code for PCS and within that code would proceed to assign NXX codes to certain companies. In a separate action, the Common Carrier Bureau directed a delay in the proposed assignment of 500 numbers. See NPRM at para. 40. By Order adopted November 30, 1994, the Commission granted petitions of twelve local exchange companies for waiver of existing Part 69 access charge rules to permit them to tariff charges for 500 numbers. The Ameritech Operating Companies, Bell Atlantic Telephone Companies, BellSouth Telecommunications, Inc., Cincinnati Bell Telephone Company, GTE Services Corporation, The NYNEX Telephone Companies, Pacific Bell, Rochester Telephone Corp., Southern New England Telephone Company, Southwestern Bell Telephone Company, The United Telephone and Central Telephone Companies, and US West Communications Petitions for Waiver of Sections 69.4(b) and 69.106 of Part 69 of the Commission's Rules, 9 FCC Rcd 7873 (1994).

¹¹ NPRM at para. 42. On July 13, 1995, the Commission adopted a notice of proposed rulemaking on telephone number portability. Telephone Number Portability, Notice of Proposed Rulemaking, -- FCC Rcd -- (1995).

7. This Report and Order resolves issues related to the future administration of the NANP. Issues related to a uniform dialing plan, carrier identification codes and interstate, intraLATA toll calls will be resolved in separate Commission actions.

B. Evolution of the North American Numbering Plan

8. In the early 1940s, American Telephone and Telegraph (AT&T) began to develop a numbering plan to insure that the expansion of toll (or "long distance") dialing would be guided by "principles in harmony with the ultimate incorporation of all networks into an integrated network of nation-wide scope".¹² The plan involved dividing the United States and Canada into eighty-three "zones", each of them identified by three digits. Within each "zone", a central office was represented by another three digit code.¹³ These "zones" are now referred to as Numbering Plan Areas (NPAs), and the three digits representing these areas are referred to either as NPA codes or area codes. There are currently more than 175 "zones". The three digits representing central offices are now called central office (CO) codes or NNX codes.¹⁴

9. Telephone numbers within the NANP may be represented as NPA-NNX-XXXX.¹⁵ NPAs have historically been of the format: N 0/1 X, and CO codes, the second three digits, in the form NNX. Thus, a telephone number representation based entirely on the digits that may be in each position was given by: N 0/1 X-NNX-XXXX, where N may be any number from 2 to 9, 0/1 is either 0 or 1, and X may be any number from 0 to 9. In January 1995, because there were no more available NPA codes of the N 0/1 X format,¹⁶ the industry introduced interchangeable NPAs (INPAs) of the format NXX. CO codes are typically of the form NNX. However, when in a particular NPA, if NNX possibilities for CO codes have been exhausted, CO codes of the form NXX may also be used to avoid the

¹² Bell Laboratories Record, F.F. Shipley, Nation-Wide Dialing, p. 368, October 1945.

¹³ Bell Laboratories Record, Nation-Wide System for Toll Line Dialing, p. 29, January 1949. All wireline telephones are connected to central offices, through lines that the switch identifies by the last four numbers of a seven-digit telephone number. The plan thus establishes a unique address number for every wireline telephone served within the plan area.

¹⁴ Central offices may now be represented by more than one central office code.

¹⁵ The International Telecommunications Union - Telecommunications Standardization Sector (ITU-T) develops international numbering standards and assigns country codes. Numbers within the NANP are formatted in a manner consistent with ITU-T standards. Previously, the ITU-T divided the World into nine World Zones in which the present countries of the NANP made up World Zone 1 (WZ1). ITU no longer uses World Zone distinctions.

¹⁶ The telecommunications industry uses the term "exhaust" to describe such events.

need for assigning another NPA for the area. Allowing CO codes to be of the form NXX helps to delay exhaustion of NPA codes. Thus, the current telephone number format within the NANP is given by: NXX - NXX - XXXX.

10. For over forty years, AT&T administered the NANP. In 1984, at divestiture, the Plan of Reorganization established Bellcore as the NANP Administrator.¹⁷ In 1993, Bellcore advised the Commission that it wished to relinquish this responsibility pending industry and/or regulatory resolution of the issue.¹⁸

11. At present, Bellcore administers the NANP for all member countries. As administrator, Bellcore's primary function is to assign numbers, pursuant to industry developed guidelines, to parties requesting them. It also maintains numbering databases, initiates number conservation and reclamation efforts, advises industry and regulatory agencies on numbering issues and serves as a subject matter expert on numbering issues (including providing consultation to the Commission and representing the United States in various international numbering committees).

12. Bellcore administers most numbering resources within the United States. Exceptions include 800 numbers and central office codes.¹⁹ Database Services Management Incorporated (DSMI), a subsidiary of Bellcore created following the introduction of 800 number portability, administers 800/SMS access, while Lockheed Corporation provides user support for assignment of 800 numbers. Additionally, within the United States, twelve regional CO code administrators handle CO code assignments. The dominant local exchange carrier serves as the CO code administrator.²⁰ Currently, Bellcore Client Companies²¹ fund the operation of Bellcore as the NANP Administrator.

¹⁷ The amended Plan of Organization was approved by the United States District Court for the District of Columbia in United States v. Western Electric Co., 569 F. Supp. 1057 (D.D.C. 1983).

¹⁸ Letter from G. Heilmeier, President and CEO, Bellcore to the Commission (Aug. 19, 1993).

¹⁹ Bellcore administers NPA codes, N11 codes for national use, CICs, 500-NXX codes, 900-NXX codes, 456-NXX codes, 800-NXX codes (Caribbean only), Service Access Codes (N00), 809-NXX codes, 555 line numbers, Vertical Service Codes, SS7 network codes (under contract with Committee T1), MBG identifiers (under contract with Committee T1) and ANI II digits.

²⁰ The CO code administrators within the United States are: Alascom, Ameritech, Bell Atlantic, BellSouth, Cincinnati Bell, GTE (for 813 area code), GTE (for 808 area code), NYNEX, Pacific Bell, Southern New England Telephone, SBC, and US WEST.

²¹ Ameritech, Bell Atlantic, BellSouth, NYNEX, Pacific Bell, SBC and US WEST.

13. Overall administration of numbering is critical to the effective and reliable operation of telecommunications within the United States. The NANP administrator plays a critical role in the successful management of numbering. The Industry Numbering Committee (INC)²² and its workshops also play an important role, particularly in developing numbering policy, establishing number assignment guidelines and resolving technical and operations issues related to numbering. During the period between March 1993 and May 1994, Bellcore, as NANP Administrator, convened the Future of Numbering Forum (FNF) to address issues related to the future of numbering within North America. The FNF was a valuable forum, which brought together representatives of industry and government from the United States, Canada and the Caribbean to develop a long term numbering plan for North America. The FNF suspended their activity following the release of the NPRM. Many commenters in this proceeding referenced FNF agreements and discussions in their comments. Prior to the establishment of the Industry Numbering Committee in 1993, numbering issues were addressed by many different forums and committees.

14. For several years, the existing structure for administration of the NANP was effective. This effectiveness may be attributed to industry cooperation in resolving numbering issues and to Bellcore's expertise in serving as NANP Administrator. Bellcore intends to relinquish its responsibilities as administrator, and changes in the structure of the telecommunications market make it appropriate to shift administrative responsibilities for all domestic numbering matters to a neutral entity. Increasingly, companies needing numbering resources, such as PCS providers, are competitors for market share of the carriers that directly and indirectly controlled distribution of numbering resources. In adjusting to this change, however, it would not be prudent to abandon the numbering infrastructure currently in place that has served this country and the other nations in the NANP so well. In moving to assure that numbering administration is impartial, we seek to retain those facets of the existing structure that are unaffected by the recent changes to the telecommunications market.

III. FEDERAL POLICY OBJECTIVES FOR NUMBERING

15. In the Ameritech Order, the Commission stated the broad policy objectives it believes should and could be achieved through judicious administration of the NANP:

- * Administration of the plan must seek to facilitate entry into the communications marketplace by making numbering resources available on an efficient, timely basis to communications services providers.

²² The INC is a standing committee of the Industry Carriers Compatibility Forum (ICCF), which in turn exists under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). ATIS sponsors a number of industry committees and forums, such as CLC, ICCF and INC. The CLC seeks to resolve, using consensus procedures, equal access and network interconnection issues arising on a communications industry-wide basis.

* Administration of the NANP should not unduly favor or disadvantage any particular industry segment or group of consumers.

* Administration of the NANP should not unduly favor one technology over another. The NANP should be largely technology neutral.²³

We now affirm our commitment to these objectives, and to the following additional objectives:

* Administration of the NANP and the dialing plan should give consumers easy access to the public switched telephone network.

* Administration of NANP should ensure that the interests of all NANP member countries are addressed fairly and efficiently, and foster continued integration of the NANP across NANP member countries.

* United States numbering policy should be developed in a manner that fosters international numbering consistency and interoperability.

IV. DISCUSSION

A. NUMBERING ADMINISTRATION MODELS

16. Background. The NPRM recognized that overall administration of the NANP involves four separate, but related functions: policy making, dispute resolution, maintenance of number databases and processing applications for numbers.²⁴ The NPRM examined what entities might perform the policy making, dispute resolution and applications processing functions. The NPRM did not specify the types of databases to which it referred and did not explicitly address who should maintain the different types of number databases.²⁵ The NPRM

²³ See Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech-Illinois, 10 FCC Rcd 4596 (1995) at para. 18 (recon pending).

²⁴ NPRM at para. 7.

²⁵ There are two basic types of number databases: administrative databases and network support databases. Administrative databases list information such as the number, to whom the number was assigned, and the date of that assignment. Network support databases contain numbers, what network elements they are associated with and other information. Network support databases are used by network providers to update routing and billing information in their switches. The Routing DataBase System (RDBS) and Bellcore Rating Input Database System (BRIDS) are the primary network support databases. RDBS contains a complete description of all LEC networks in World Zone 1 (except, currently Canada). This provides information for message routing and common channel signaling call setup routing. BRIDS

drew tentative conclusions about various aspects of a structure and sought comments on other elements of an overall numbering administration structure. The tentative conclusions suggest a structure in which the Commission would, if necessary, handle ultimate dispute resolution of United States numbering issues²⁶ with a NANP Administrator that would perform functions "customarily performed by Bellcore" and administration of CO codes.²⁷ Additionally, the NPRM sought comment on having a Policy Board consisting of industry and government representatives develop policy and at least initially resolve numbering disputes.²⁸ The NPRM recognized the importance of international coordination to the continued success of the NANP.²⁹

17. Positions of the Parties. All parties support changes to the existing structure for overall NANP administration. Many parties suggest that the existing structure should not be totally revised. For example, BellSouth indicates that existing industry fora have had significant success in the development of industry consensus on many important numbering issues.³⁰ NECA adds that the Commission should continue to rely on existing industry-sponsored groups to address numbering issues to the extent possible.³¹ Instead, parties indicate that aspects of the existing structure are effective, but note that there is opportunity to improve the structure. Parties contend that access to number resources is critical and that increased telecommunications competition demands changes to the current structure that is dominated by the LECs. In particular, AT&T observes that increasingly, customer and carrier access to, use of, and control over numbering resources could significantly affect the availability of competitive services to customers and the ability of service providers to

contains rating data for NANP member countries and Mexico and is used for billing purposes. Bellcore, as NANP Administrator, maintains administrative databases, while the Traffic Routing Administration Group of Bellcore, which is separate from the NANP Administrator, maintains the network support databases. 800 Numbers are assigned separately through the SMS database, a type of network support database.

²⁶ NPRM at para. 25.

²⁷ Id. at para. 29.

²⁸ Id. at para. 24-25.

²⁹ Id. at para. 10.

³⁰ BellSouth Comments at 6-7; see also Ameritech Comments at 8.

³¹ NECA Comments at 13. See also Pacific Comments at 3; TCG Comments at 5-6; Rock Hill Comments at 2 (where possible, the Commission should utilize existing telecommunications industry organizations, structures and forums as building blocks to fashion the new NANP).

compete.³² APC notes that wireless service providers need access to two crucial limited resources -- spectrum and numbers.³³

18. In general, parties state that whatever the new NANP structure is and whoever performs the number administration responsibilities, administration of numbering should be fair and impartial.³⁴ Wireless service providers, competitive access providers (CAPs) and other relative new comers to telecommunications generally comment that the current NANP administrative structure supports discriminatory actions and does not afford newer entrants the opportunity for fair competition. Telaccess notes that numbering today is "light years away" from promoting economic growth and that without changes the Commission will see discriminatory conduct repeating itself in the future, endangering Commission goals of promoting new services and economic growth.³⁵ APCC states that its members are concerned that bias in number assignment practices may prevent them from being treated fairly in the assignment of numbers.³⁶ McCaw adds that control of NANP administration by Bellcore and the Bell Operating Companies (BOCs) has raised serious competitive issues and given short shrift to the needs and concerns of wireless service providers.³⁷ Additionally, BellSouth observes that the perception that Bellcore's affiliation with the regional Bell Operating Companies prevented it from performing its functions in an impartial manner impeded Bellcore's performance of its NANP Administrator responsibilities.³⁸ Finally, several parties advocate that a structure should be established, such that overall number administration is done in a pro-competitive manner.³⁹

19. Parties note other deficiencies in the current structure for NANP administration. Allnet contends that the outcome of numbering plan decisions should not depend upon which carriers can afford to send more employees to meetings at expensive locations throughout the

³² AT&T Comments at 2.

³³ APC Comments at 2.

³⁴ See, e.g., Comptel Comments at 2; CTIA Comments at 5; MCI comments at 4 n.8 (there is a critical need for numbering matters to be handled in a fair and equitable manner, with number administration performed in an environment free from the prejudicial influences that exist in the current structure).

³⁵ Telaccess Comments at 1.

³⁶ APCC Comments at 3.

³⁷ McCaw Comments at 1.

³⁸ BellSouth Comments at 2.

³⁹ See, e.g., ALTS Comments at 2.

United States -- "where meetings of the ATIS are typically held."⁴⁰ NATA notes that the Commission should take steps to ensure that numbering decisions and information about those decisions are accessible and adequately publicized.⁴¹ Lastly, several parties indicate that the current process for resolving number issues is too slow and must be accelerated.⁴²

20. With respect to an integrated approach to international number administration within the NANP member countries, nearly all parties addressing this aspect of the structure encourage maintaining and fostering an integrated approach.⁴³ US WEST notes that the advantages of the NANP -- widespread access to a seamless network serving important trading partners -- are considerable and that the continued viability of the NANP as an integrated numbering plan would be put in serious jeopardy if the United States were to begin administering only a portion of the NANP.⁴⁴ Similarly, Stentor submits that the benefits of participating in the NANP are significant for both Canadian consumers and industry and continues to support the operation of the Canadian telecommunications industry as an integral part of the NANP.⁴⁵

21. Many parties suggest specific structures for overall number administration. These structures have many similarities and may be categorized into three basic structures.⁴⁶ Each of these structures seeks to maintain an integrated approach to overall number

⁴⁰ Allnet Comments at 7.

⁴¹ NATA Comments at 6.

⁴² See, e.g., NATA Comments at 4-5.

⁴³ See, e.g., GTE Comments at 3. ("There is no dispute that the benefits and efficiencies generated by the NANP are the envy of other non-World Zone 1 [WZ-1] nations".) contra, CTIA Ex Parte presentation of May 24, 1995, note 45 and para. 29, infra.

⁴⁴ US WEST Comments at 1-2.

⁴⁵ Stentor Comments at 1.

⁴⁶ There are three proposals that do not fall within these three basic models. CTIA advocates creation of a United States Numbering Association that would administer the United States numbering resources. See CTIA Ex Parte presentation of May 24, 1995. This approach differs from the three models discussed above, in that it is the only one that explicitly suggests the creation of a separate United States number administrator. TSTT suggests a model that consists of a NANP Administrator with a board of directors and no policy board or oversight committee. See TSTT Reply at 2-5. Finally, TCG suggests a model that would have an industry numbering committee establish numbering guidelines for the NANP Administrator and policy decisions and dispute resolution would be handled by the Commission using declaratory rulings. See TCG Comments at 5-8.

administration across NANP member countries.

22. The Regulatory Model. The first model suggested by only a few parties, is one under which the Commission would handle all four number administration functions: policy making, dispute resolution, maintenance of number databases and processing applications for numbers. The Commission would be the NANP Administrator.⁴⁷ Parties suggesting this structure seek strong Commission control and leadership on numbering issues. They contend that numbering matters are the responsibility of the Commission⁴⁸ and that the Commission must assume all numbering functions because industry fora cannot fairly address numbering issues.⁴⁹

23. The Hybrid Model. The second model suggested by several parties,⁵⁰ would have an industry policy board or oversight committee develop policy and at least initially resolve disputes, while the NANP Administrator would maintain administrative number databases and process applications for numbers. In this structure, both entities would report directly to the Commission and other NANP member country regulatory bodies, who would ultimately resolve disputes and set broad numbering objectives and policy for their countries. Parties suggesting this approach find there is value in having an industry policy board or oversight committee develop numbering policy and work numbering issues, but also desire that regulatory bodies like the Commission play an active role in directing the NANP Administrator to ensure that number assignments are made impartially.⁵¹

24. The Industry Model. The third model supported by the majority of parties,⁵²

⁴⁷ See Allnet Comments at 7-8; NCS Comments at 4-6 (suggesting that the Commission serve as NANP Administrator and would be the ultimate policy maker, subject to input from an industry policy board); Telaccess Comments at 2-3.

⁴⁸ See, e.g., Allnet Comments at 8; NCS Comments at 5.

⁴⁹ See Telaccess Comments at 7.

⁵⁰ See Ad Hoc Comments at 4-6; APCC Comments at 3-4; BellSouth Comments at 1-10; Dean Brothers Comments at 2-4; McCaw Comments at 2-9; MFS Comments at 3-6; NTCA Reply at 1-4.

⁵¹ See, e.g., APCC Comments at 2-3.

⁵² See, e.g., AirTouch Comments at 2-5; AMTA Comments at 4-7; APC Comments at 2-4; Ameritech Comments at 8; ALTS Comments at 2-5; AT&T Comments at 8-10; Bell Atlantic Comments at 4-5; CSCN Comments at 1-2; NYDPS Comments at 1-2; Nextel Comments at 3-8; NYNEX Comments at 4-8; OPASTCO Comments at 3-4; PCIA Comments at 3-7; SBC Comments at 2-6; Sprint Comments at 2-8; Telco Planning at 2; USTA Comments at 3-6; US WEST Comments at 4-6; Vanguard Comments at 3-12.

resembles the second structure in that an industry policy board or oversight committee would develop policy and, at least, initially resolve disputes, while the NANP Administrator would maintain administrative number databases and process applications for numbers. It differs from the second structure in that the NANP Administrator would report to the policy board or oversight committee instead of reporting directly to regulatory bodies as suggested in the second structure. Thus, supporters of this model appear more confident than those parties suggesting the second model that industry can manage an impartial NANP Administrator. In this case, the industry policy board or oversight committee would still report to the Commission and other NANP member country regulatory bodies, which would resolve disputes the board could not and set broad numbering objectives and policy. Like parties suggesting the hybrid model, these parties find significant advantages to having an industry numbering policy board or oversight committee develop numbering policy and resolve issues. They believe, however, the industry is better equipped and positioned to oversee the NANP Administrator for its day-to-day operation than are regulatory bodies. They believe this structure addresses industry concerns about the current structure, while retaining positive aspects of the current structure, such as industry synergy in resolving difficult numbering issues.

25. Discussion. After reviewing the record, we conclude that the industry model will best serve the public interest. It will permit fair and efficient overall administration of numbering resources, foster an integrated approach to numbering administration across NANP member countries, and enable this Commission and regulatory bodies of other nations to ensure that domestic numbering administration is effective, while leveraging the expertise and innovation of industry.

26. We agree with those parties advocating the regulatory model that domestic numbering administration is within the authority of the Commission. We disagree, however, with the premise that that authority compels the Commission to serve as the NANP administrator. Our responsibilities with respect to numbering originate in Sections 1, 7, and 201 of the Communications Act. The first two sections direct this Commission to make available rapid, efficient and nation-wide communications⁵³ and to encourage the provision of new technologies and services.⁵⁴ Section 201 requires common carriers engaged in interstate or foreign communications to provide communications service upon reasonable request when the Commission finds such action in the public interest.⁵⁵ They also flow from Section 202, which requires that charges, practices, classifications, regulations, facilities, and services of common carriers not be unreasonably discriminatory.⁵⁶ These responsibilities do not require

⁵³ 47 U.S.C. § 151 (1995).

⁵⁴ Id. at § 157.

⁵⁵ Id. at § 201.

⁵⁶ Id. at § 202.

that the Commission serve as NANP administrator, only that the Commission establish and enforce number administration policies consistent with the requirements of those sections. Towards that end, we do not believe that adoption of the regulatory model will best achieve these requirements. We agree with commenters suggesting that industry in the past has successfully resolved many numbering issues and fostered the introduction of new services. On the basis of the record before us, we find no justification to change significantly this aspect of the current model for administration of the NANP. We agree with commenters who note the importance and value of an integrated NANP and believe that the Commission serving as NANP administrator could jeopardize the continued viability of an integrated numbering plan. Nonetheless, if experience shows that the model we now adopt does not permit this Commission to meet its responsibilities under the Communications Act, we may then reexamine whether the Commission should be the NANP Administrator, at least for the United States portion of the NANP.

27. The hybrid model would have both the industry policy board or oversight committee and the NANP Administrator reporting directly to the Commission. We agree with proponents of that model that the Commission must take an active role in overseeing administration of limited numbering resources. We also share these parties' concerns regarding industry's ability to administer number resources fairly and in a competitively neutral manner. These concerns, however, do not lead us to conclude that a NANP Administrator must report directly to the Commission to ensure it assigns numbers fairly. We conclude that the Commission can monitor industry oversight of the administrator through Commission participation in, and direction of an advisory board, as detailed below. Under this approach, any party aggrieved by the assignment practices involving United States numbering resources of the NANP Administrator may petition the Commission for relief. Additionally, recognizing that eighteen countries share a strong interest in the successful administration of the NANP, we believe the NANP Administrator will be able to function more effectively and efficiently by reporting to a single entity - a body with broad representation from industry, consumers, state regulators and other NANP member countries. We therefore encourage other member countries to support the model adopted by this Commission, so that the NANP Administrator may look to a single industry body for its direction. Thus, while the model we adopt differs somewhat from the second model, we believe nonetheless it will ensure that numbering policy development and administration is conducted fairly and in a competitively neutral manner.

28. In adopting the industry model, we are mindful that the United States is not the only country that relies upon the NANP for its numbering needs or that has policy concerns affecting the NANP's future administration. We recognize that each of the NANP members is a sovereign country that has responsibilities to its citizens to ensure the efficient development of its telephone network. For this reason we solicited the views of those countries on the issues in this proceeding. We note that CSCN and Stentor have indicated their support of an industry-led NANP administration. As a result, we believe that the approach we adopt here, which preserves the benefits of a single, industry-led NANP administration, will benefit not only the United States but all NANP members. In this regard,

we note that the industry policy board that we describe below will provide a forum in which the telephone company operators from all NANP countries can present their views and concerns. The governments of other NANP member countries can bring their concerns to the policy board or they can bring them to the Commission, either directly or through the Department of State.

29. For the above reasons we find it unnecessary to adopt the model proposed by CTIA that would create a United States Numbering Association with authority to administer numbers solely for the United States.⁵⁷ While we recognize that the other NANP member countries are sovereign, we do not believe that that fact requires us to separate U.S. numbering or to require those countries to set up their own parallel numbering associations. The industry policy board that we adopt here fully recognizes the sovereignty of each NANP member country, while, at the same time, providing a forum for ongoing dialog between their telecom operators and their regulatory authorities. Indeed, because the board is subject to the Federal Advisory Committee Act, the new approach will provide even more protection for other countries' views than the current method of administration. Multiple national administrators involve a great deal of duplicative expense and complicate the administration of an integrated numbering plan like the NANP. The plan we adopt here will keep the NANP integrated and will ensure that numbering is conducted fairly and in a competitively neutral manner.

30. The TSTT model consists of a NANP Administrator with a board of directors. We do not adopt this model, because we believe that it is important for a policy board or oversight committee to exist to develop and coordinate numbering policy. It is not clear how numbering issues would be resolved in the TSTT model. The TCG model consists of an industry numbering committee providing guidelines for a NANP administrator, with the Commission making declaratory rulings. We do not adopt this model, because we believe it is important for the Commission to be more actively involved in numbering and that there be a policy board or oversight committee to ensure fair number administration.

31. In adopting the industry model, which calls for the NANP Administrator reporting to an advisory committee, we agree with those suggesting that despite its flaws, the current model for addressing numbering issues and policy development has enjoyed significant success. For example, since this docket was opened the industry has consolidated numbering efforts into one primary committee - the Industry Numbering Committee (INC).⁵⁸ This committee has successfully resolved many numbering issues without Commission or other

⁵⁷ CTIA Ex Parte presentation of May 24, 1995. CTIA notes that it would be best if Canada, the United States and other countries work together in international numbering strategies in lieu of the United States attempting to assume and/or assert control over another country's domain.

⁵⁸ See note 22, infra.

NANP member country regulatory proceedings or actions. In many respects, INC today directs the efforts of NANP Administrator. The major difficulty with the current NANP Administrator is its association with the BOCs and the potential conflict of interest that creates. We believe this problem can be addressed through industry selection of a new NANP Administrator. We seek to preserve the positive facets of the current model and believe that the industry model we now adopt best achieves that goal.

32. We find that the industry model is also the one best able to assure continued integration of the NANP and to facilitate other North American countries joining the NANP, subject to industry and regulatory body approval. We believe this model also enables the Commission to ensure that this country's numbering policy is fair and competitively neutral. We agree with those suggesting that an integrated numbering plan benefits industry and consumers of all NANP member countries and therefore it is in the public interest for the Commission to support continued NANP integration across NANP member countries. Of the proposed models, we believe the one we adopt best achieves NANP integration, because it encourages NANP member countries to participate in the formation of numbering policy. We are hopeful that NANP member countries will actively participate in the advisory committee charged with number policy development and initial dispute resolution.

33. For all of these reasons we adopt the industry model for overall administration of the NANP. This model calls for a structure that has an industry policy board or oversight committee that acts as policy maker and initial site of dispute resolution, with a NANP Administrator that maintains administrative number databases and the processes applications for number resources. The NANP Administrator reports directly to the policy board or oversight committee. The industry policy board or oversight committee reports to the Commission and other NANP member countries' regulatory bodies, who would bear ultimate responsibility for dispute resolution and set broad objectives and policy governing administration and use of numbering resources within their countries. In the following three sections, we describe in more detail the structure of and roles to be played by the various entities.

B. INDUSTRY AND GOVERNMENT ROLES UNDER THE NEW MODEL

1. The Commission

34. Background. In the NPRM, we determined that this Commission may issue orders and otherwise regulate numbers and their administration.⁵⁹ The NPRM observed that many responses to the NOI urged the Commission to increase its role in overall number

⁵⁹ NPRM at para. 8.

administration.⁶⁰ In the Ameritech Order, the Commission recognized that state regulators clearly have legitimate interests in the administration of the NANP, while indicating that where resolution of a NANP issue concerns interstate matters the Commission will continue to exercise our regulatory authority.⁶¹

35. Positions of Parties. Commenters agree that the Commission has jurisdiction over numbering.⁶² Most parties request that the Commission assume a more active role in numbering matters. Allnet contends that not choosing the Commission as administrator, "simply avoids the obvious solution of having the FCC do what it is responsible for doing."⁶³ Others suggest that the Commission should set clear numbering policy objectives⁶⁴ and take a more active role in policy development. NECA comments that in a competitive environment the Commission will be required to assume a more active role in regulating numbering than it has in the past.⁶⁵

36. Parties suggest several approaches to resolve numbering issues and disputes including consensus procedures, arbitration,⁶⁶ mediation⁶⁷ alternative dispute resolution,⁶⁸ the use of a Commission Administrative Law Judge,⁶⁹ negotiated rulemakings procedures,⁷⁰ expedited paper proceedings by the Commission⁷¹ and closely supervised settlement

⁶⁰ Id. at para. 22.

⁶¹ See Ameritech Order at para. 14.

⁶² See TCG Comments at 2; NCS Comments at 3; Allnet Comments at 3; BellSouth Comments at 7.

⁶³ Allnet Comments at 7.

⁶⁴ See, e.g., NYNEX Reply at 3.

⁶⁵ NECA Comments at 13-14.

⁶⁶ See, e.g., MCI Reply at 7.

⁶⁷ See, e.g., BellSouth Comments at 9.

⁶⁸ See, e.g., AT&T Comments at 11.

⁶⁹ TCG Comments at 8.

⁷⁰ McCaw Reply at 10.

⁷¹ See, e.g., McCaw Comments at 5.

conferences by the Commission.⁷² Most parties contend that at least initially a consensus process should be used by an industry group to resolve issues and that only if that process fails to bring timely resolution of an issue should one of the other approaches listed above be invoked.⁷³ USTA comments that the consensus process remains a very effective way to ensure that all participants are heard and that the existing due process mechanisms, and ultimate right of any participant to petition directly to the Commission make the development of new processes unnecessary.⁷⁴

37. Except for consensus procedures listed above, parties differ on when and by whom the different dispute resolution techniques should be invoked. Some parties advocate that an industry oversight committee or policy board might invoke one of the above techniques. Others contend that the Commission, after a fixed time period, should be the body to act. Several parties warn that use of one of the above dispute resolution mechanisms may undermine the consensus process.⁷⁵ In particular, Bell Atlantic notes that any attempt to force premature decisions through arbitration or mediation would work against consensus.⁷⁶ Most parties agree that when an issue originates within an industry numbering forum, such as the INC, a time period should be set for resolution.⁷⁷ With respect to establishing a given time period, some parties support creation of a flexible "deadline" for issue and dispute resolution,⁷⁸ while others support a strict time period for that would apply to any dispute.⁷⁹

38. Parties agree that the Commission should be the final arbiter of all disputes involving United States numbering issues.⁸⁰ Specifically, NTCA notes that the Commission

⁷² Id.

⁷³ See, e.g., MCI Reply at 6.

⁷⁴ USTA Comments at 5. See also ATIS Reply at 9 (there is a long and substantial record of successes which supports continued use of the consensus process as a viable means by which to reach resolutions).

⁷⁵ See, e.g., GTE Reply at 5-6; USTA Reply at 4.

⁷⁶ Bell Atlantic Comments at 5.

⁷⁷ See, e.g., NYNEX Reply at 3; APCC Comments at 3; Pacific Comments at 5; Sprint Reply at 6 n.7.

⁷⁸ SBC Comments at 4. See also ATIS Reply at 9 (It is important to differentiate between policy issues, which take more time and administrative issues which are quick.)

⁷⁹ APCC Comments at 3.

⁸⁰ See, e.g., NCS Comments at 5; NTCA Reply at 3; NYNEX Reply at 3.

will need to reserve the ultimate authority to settle the domestic numbering disputes, which are expected to occur as the competition for the limited numbering resources needed to provide competitive wireline services, as well as existing and new wireless services, grows.⁸¹

39. Discussion. The Commission will continue to set broad numbering policy objectives and be the final arbiter of all disputes involving United States numbering issues. We conclude that initially the advisory committee should seek to resolve disputes through consensus. Six months from the date an issue is to be brought to the committee for resolution, the committee must report to the Commission on that issue with a recommendation for how the issue should continue to be addressed. We do not limit the mechanisms for resolving issues and disputes brought before the Commission.⁸²

2. North American Numbering Council

40. Background. The NPRM sought comment on whether we should establish a new policy board to assist regulators in developing and coordinating numbering policy under the NANP. The NPRM indicated that this board, subject to regulatory oversight, might also guide the new administrator and foster dispute resolution. The NPRM sought comment on the extent, if any, to which the Federal Advisory Committee Act (FACA)⁸³ would apply to such a board.⁸⁴

41. Position of the Parties. Most parties do not address the applicability of the Federal Advisory Committee Act to an oversight committee or policy board. MCI does not believe its recommended oversight committee, which shares many characteristics with the committee we now create, raises difficult questions under the FACA even though the Committee would be established and used by the Commission to obtain policy advice on numbering matters.⁸⁵ In support of this position, MCI notes that the Supreme Court has refused to read literally the language of FACA, which would extend the Act's requirements to any group from which an agency might seek advice.⁸⁶ Additionally, PCIA believes that

⁸¹ NTCA Reply at 3.

⁸² See, e.g., Use of Alternate Dispute Resolution Procedures in Commission Proceedings and Proceedings in which the Commission is a Party, 6 FCC Rcd. 5669 (1991) (concluding that as a matter of policy, the Commission encourages the use of ADR techniques where it will appear that the public interest will be served).

⁸³ Federal Advisory Committee Act, 5 U.S.C., App. (1988) (FACA).

⁸⁴ NPRM at para. 25.

⁸⁵ MCI Comments at 12 n.22

⁸⁶ Id., citing Public Citizen v. U.S. Dep't. of Justice, 491 U.S. 440, 452 (1989).

FACA would not apply to a policy board as proposed in the NPRM.⁸⁷ NTCA comments that use of an advisory committee under the FACA procedures will ensure impartiality and balanced participation in the process of developing numbering policy, but should not restrict industry's ability to make NANP administration decisions that are more appropriately handled by industry.⁸⁸

42. Discussion. The industry model that we have adopted calls for the creation of a policy board that would act as policy maker and initial site for resolution of disputes relating to administration of the NANP. We conclude that creating this board would require compliance with FACA. We intend to undertake the procedural steps set forth in FACA to create the "North American Numbering Council" (NANC) as a Federal Advisory Committee for the purpose of addressing and advising the Commission on policy matters relating to administration of the NANP, some of which are discussed below and others of which may arise in the future.

43. NANC is an Essential Component of the Industry Model. We agree with those asserting that the Commission must assume a more active role in numbering policy development and issue resolution than it has in the past. Access to numbering resources is essential to entities desiring to participate in the telecommunications industry. The Industry Numbering Committee has achieved numerous successes in resolving numbering issues. These successes may be attributed, we believe, to the dedication and technical and operational expertise that industry members bring to bear on complex numbering issues. We find, however, that the current mechanisms for resolving issues and disputes may not always lead to timely resolution or may not afford all parties reasonable access to dispute resolution mechanisms.

44. We agree with the many parties who recognize a need for an oversight committee like the NANC. While we understand the concerns of parties who contend that an oversight committee, particularly a government oversight committee or policy board, will simply slow policy development and issue resolution, we believe that the measures detailed below address these concerns.

45. The strength of the current industry approach to resolving issues is the synergy it brings to bear on an issue through industry technical and operational expertise. This expertise is based on day-to-day experiences that this Commission simply lacks. We must continue to capture this synergy. Under the current model, however, some issues have been resolved too slowly and some resolutions have hindered competition. As competition in telecommunications grows and new competitors participate with dominant incumbents in

⁸⁷ PCIA Comments at 4.

⁸⁸ NTCA Reply at 2-3. See also, NCS Comments at 6 (FACA requirements would apply to a policy board of service providers, government agencies and regulators).

industry fora, we believe that it will become increasingly difficult, if not impossible, for current industry fora to resolve crucial numbering issues. We also conclude that the Commission needs consensus advice from industry on numbering issues to enable it to make timely, informed decisions on numbering policy issues. For all of these reasons, and given the vital importance of limited numbering resources to telecommunications, we find that it is essential that we create the NANC as a federal advisory committee.

46. The purpose of the NANC will be to provide to the Commission advice and recommendations reached through consensus to foster efficient and impartial number administration as telecommunications competition emerges. Additionally, we direct the NANC to select as NANP Administrator an independent, non-government entity that is not closely associated with any particular industry segment. Initially, we seek from the NANC recommendations on: (1) What the transition plan should be for transferring CO code administration responsibilities from LECs to the new NANP Administrator?⁸⁹ (2) What measures should be taken to conserve numbering resources?⁹⁰ (3) What number resources, beyond those currently administered by the NANP Administrator should the NANP Administrator administer?⁹¹ and (4) Whether the NANC, after two years, should continue as a federal advisory committee. During the first meeting of the NANC, the Commission will work with the NANC to set schedules for NANC preparation of these recommendations.

47. NANC Must Meet FACA Requirements. The Federal Advisory Committee Act states that any advisory committee established or utilized by one or more agencies in the interest of obtaining advice or recommendations for federal agencies shall be subject to FACA.⁹² The Act further states that new advisory committees should be established only when they are determined to be essential.⁹³ An advisory committee created under FACA must have a membership fairly balanced in terms of the points of view represented.⁹⁴ In meeting this requirement we anticipate council membership would be drawn from all segments of the industry including LECs, Interexchange Carriers (IXCs), Wireless Service Providers, Competitive Access Providers and other interested parties both within the United States and from other NANP member countries. We further anticipate council membership will include members representing state interests such as NARUC, state public utility commissions, telecommunications users and other consumers groups. The specific membership will be .

⁸⁹ See Section IV, C, infra.

⁹⁰ See para. 96, infra.

⁹¹ See Section III, B, 3, ii, infra.

⁹² FACA, 5 U.S.C., App § 4(a) and § 3 (2)(C).

⁹³ Id. at § 2 (b)(2).

⁹⁴ Id. at § 5 (b)(2).

determined when the NANC charter is established. Additionally, meetings must be open to the public, detailed meeting minutes prepared and a designated federal official present at all meetings.⁹⁵

48. For all the reasons set forth above, we determine that the NANC as defined above should be established as an advisory committee because the creation of this council is essential and in the public interest. We further determine that the NANC must meet the requirements of the FACA because we will seek advice and recommendations from this council. Additionally, we believe that creating the Council under the FACA will ensure that its activity and advice to the Commission is the result of open and impartial discussion.

49. We disagree with MCI's conclusion that a committee established by the Commission to obtain policy advice on numbering matters would not be subject to the FACA. MCI relies on Public Citizen v. U.S. Dept of Justice, 491 U.S. 440 (1989), to support its position. We find the holding in Public Citizen inapposite here. In Public Citizen, the Court held that the use of the views of the American Bar Association's Standing Committee on the Federal Judiciary regarding judicial nominees by the Justice Department did not subject the ABA committee's meetings to FACA requirements. The Court focused its analysis on defining the term "utilized" in Section 2 of FACA. The Court determined that to interpret that term in its broadest possible sense would extend coverage of FACA beyond that which Congress intended: "Although its reach is extensive, we cannot believe that it was intended to cover every formal and informal consultation between the President or an Executive agency and a group rendering advice."⁹⁶ The Court reasoned that the term "utilized" should be read sufficiently narrowly to consider the reason for which FACA was enacted: "FACA was enacted to cure specific ills, above all the wasteful expenditure of public funds for worthless committee meetings and biased proposals."⁹⁷

50. The Court noted that it was focusing on the definition of "utilized" because the ABA committee was not established by the Government.⁹⁸ Therefore, although the Court's statement regarding the purpose of FACA would apply here, the specific holding would not, given that we would not be using an existing group but creating a new one to provide advice. In Public Citizen, the Court observed that the phrase "established or organized" was to be understood in its "most liberal sense, so that when an officer brings together a group by formal or informal means . . . to obtain advice and information, such group is covered by the

⁹⁵ Id. at § 10.

⁹⁶ 491 U.S. at 453.

⁹⁷ Id.

⁹⁸ Id. at 452.

provisions of this bill [the Senate bill that grew into FACA]."⁹⁹

51. The NANC, as we intend to create it, conforms to the purpose for which Congress enacted FACA, as stated by the Supreme Court. Our finding that the NANC must be established under FACA is supported by the United States Court of Appeals for the D.C. Circuit in the recent Ass'n of Amer. Physicians and Surgeons v. Clinton, 997 F.2d 898 (D.C. Cir. 1993) (Clinton). In Clinton, the Court focused on the structure of the vehicle through which advice was rendered in determining the applicability of FACA. According to the court, to be subject to FACA the advice to an agency must come from a group "and not a collection of individuals".¹⁰⁰ The Court further states that an entity rendering advice qualifies as a "group" for the purpose of constituting an advisory committee if it has the requisite "formality and structure."¹⁰¹ The Court noted evidence of such formality: "In order to implicate FACA, the President, or his subordinates, must create an advisory group that has, in large measure, an organized structure, a fixed membership, and a specific purpose."¹⁰² The NANC we intend to create will have such characteristics.

52. In a recent decision, the United States District Court for the District of Columbia, held that the Forest Ecosystem Management Assessment Team (FEMAT) was an advisory committee. The holding relied heavily on the policy advising purpose of the committee. The court stated: "It [FEMAT] was a consultive assembly of knowledgeable persons for a specific purpose ... it was both 'established' and 'utilized' by the President for his guidance in devising a forest management policy. And it did render him 'advice' and 'recommendations' which he accepted and followed." Northwest-Forest Resource Council v. Espy, 846 F. Supp. 1009, 1012 (D.D.C. 1994). The makeup of the NANC, as we intend to create it, as well as its role vis-a-vis the Commission, is similar to that of FEMAT.

53. Given that this committee is essential for the Commission to develop the most effective number administration policies and that we seek from it advice reached by consensus, we conclude that the NANC is subject to FACA. Additionally, we believe that the broad representation and public access requirements of FACA will prevent industry perceptions that the NANC is biased, or that it fails to afford to all the opportunity to contribute and be heard with respect to the development of numbering policy.

3. North American Numbering Plan Administrator

i. Type of Entity

⁹⁹ Id. at 461, quoting S. Rep. No. 92-1098, 92d Cong., 2d Sess (1972).

¹⁰⁰ 997 F.2d at 913.

¹⁰¹ Id. at 914.

¹⁰² Id.

54. Background. In the NPRM, the Commission tentatively concluded that the new NANP Administrator should be a "single, non-government entity, established by the Commission and, therefore, subject to our oversight but also separate from this Commission and not closely identified with any particular industry segment."¹⁰³ The Commission tentatively concluded that if it is determined that a government agency should be the NANP Administrator, this Commission would be that agency.¹⁰⁴ The Commission also tentatively concluded that despite its familiarity with the telecommunications industry, the National Exchange Carrier Association (NECA), with its ties to a particular segment of the industry, the LECs, would not be a suitable candidate for NANP Administrator.¹⁰⁵ The Commission noted that while ATIS also has close ties to the LECs, given the recent expansion of its governing board to include non-LECs, it would be premature to exclude the possibility of ATIS assuming the role of NANP Administrator, and sought comment on the issue.¹⁰⁶

55. Positions of the Parties. The majority of the commenting parties support the NPRM conclusion that the NANP Administrator should be a neutral third party that is not aligned with a particular industry segment.¹⁰⁷ As such, they oppose designation of an entity aligned with a particular segment of the industry such as ATIS or NECA as the NANP Administrator.¹⁰⁸ ATIS does not propose that it be NANP Administrator.¹⁰⁹ Regarding the possibility of NECA's assuming the role of NANP Administrator, McCaw argues that NECA is "too closely identified with a specific industry segment to present the appearance of impartiality."¹¹⁰ NECA and NTCA argue that it is premature to rule out NECA as a possible candidate.¹¹¹ NTCA argues that NECA's ties to the industry should not interfere with its ability to perform NANP administrative functions in a neutral manner, given the purely

¹⁰³ NPRM at para. 18.

¹⁰⁴ Id.

¹⁰⁵ NPRM at para 15.

¹⁰⁶ Id. at para. 14.

¹⁰⁷ See, e.g., AMTA Comments at 4; AT&T Comments at 8; Bell Atlantic Comments at 2; ATIS Comments at 5; CTIA Comments at 3; PCIA Reply at 9.

¹⁰⁸ See, e.g., ALTS Comments at 1; Ad Hoc Comments at 5; Allnet Comments at 7; McCaw Comments at 3, n.6; MFS Comments at 3.

¹⁰⁹ ATIS Reply at 8.

¹¹⁰ McCaw Comments at 3, n.6.

¹¹¹ NECA Comments at 14; NTCA Reply at 4.

ministerial nature of the functions.¹¹² Dean Brothers, a publishing company, suggests that it could serve as NANP Administrator.¹¹³ No party commented on whether Dean Brothers should be NANP Administrator.

56. Nearly all commenters support the Commission's tentative conclusion that no government agency, including this Commission, could properly perform the functions of NANP Administrator.¹¹⁴ For example, Sprint expresses concern that such a role would be a drain on the resources of a government agency,¹¹⁵ and that in particular the Commission's limited resources are better devoted to such matters as policy making and dispute resolution.¹¹⁶ Those parties supporting a government entity as NANP Administrator suggest the Commission as the proper entity, arguing that its regulatory responsibilities include NANP Administration.¹¹⁷

57. Discussion. We conclude that the NANP Administrator should be a non-governmental entity that is not aligned with any particular telecommunications industry segment. The NANP Administrator must be fair and impartial. We believe that it would be very difficult, if not impossible for a NANP Administrator closely associated with a particular segment of the telecommunications industry to be impartial. Even if a NANP Administrator aligned with a particular industry segment was impartial, there would still likely be the perception and accusations that it was not. In reaching this conclusion, we do not mean to suggest that Bellcore as the current administrator has not been fair or impartial. Bellcore's request to relinquish its responsibilities as administrator made examination of this issue unnecessary. We share the concerns expressed in the comments of the appearance of bias associated with entities such as NECA and ATIS, both of whom historically have been closely associated with LECs.

58. A non-government NANP Administrator could focus solely on the important NANP administration function. Our view is that no government agency has the resources to perform both regulatory and administrative functions regarding numbering resources effectively. Such a role for a government agency would strain an agency's resources and would also appear inconsistent with the character of the NANP. As is discussed above in

¹¹² NTCA Reply at 4.

¹¹³ Dean Brothers Comments at 2.

¹¹⁴ See, e.g., Ad Hoc Comments at 2; Ameritech Comments at 2-3; GTE Comments at 9; McCaw Comments at 2.

¹¹⁵ Sprint Comments at 5.

¹¹⁶ Sprint Reply at 5-6.

¹¹⁷ Allnet Comments at 7-8; NCS Comments at 5.

Section IV, A, we conclude that at this time the Commission should not serve as Administrator.

59. As discussed below, we direct the NANC to select a NANP Administrator to ensure impartiality and that the needs and concerns of industry, states and other interested parties are met by the new NANP Administrator.

ii. Functions

60. Background. In the NPRM, the Commission tentatively concluded that the NANP Administrator should assume the current functions performed by Bellcore as NANP Administrator and those functions currently associated with CO code administration.¹¹⁸

61. Positions of the Parties. Most parties agree that the new administrator should assume the current functions performed by Bellcore as NANP Administrator and CO code administration functions.¹¹⁹ Additionally, commenters advocate that the NANP Administrator continue to administer numbers for the United States as well as other NANP member countries. Some commenters suggest that the new NANP Administrator's tasks be extended to additional types of numbering resources including assignment of Intermediate Signaling Network Identifiers,¹²⁰ numbers for the Public Switched Digital Service (PSDS)¹²¹ and numerous wireless related numbers.¹²² Other parties suggest that the NANP Administrator administer 800 numbers and maintain RDBS and BRIDS databases.¹²³ Bellcore states that the Commission should direct the NANP Administrator to reclaim numbering resources no longer in use.¹²⁴ The NCS requested (1) that the 710 area code remain available to the government for National Security/Emergency Preparedness (NS/EP) use;¹²⁵ and (2) that the government

¹¹⁸ NPRM at para 29.

¹¹⁹ See, e.g., GTE Comments at 10-11; For further discussion of this issue, see Section IV, C, infra.

¹²⁰ GTE Comments at 12-13.

¹²¹ Id.

¹²² CTIA Ex Parte presentation of May 24, 1995.

¹²³ MFS Comments at 5 n.3.

¹²⁴ Bellcore Comments at 4.

¹²⁵ NCS Comments at 4.

should not be required to fund it.¹²⁶ Finally, BellSouth suggests that the specific responsibilities and operating parameters of the new NANP Administrator should be refined in a Request for Proposal (RFP) process for selecting the new NANP Administrator.¹²⁷ No parties suggest that in a model including an oversight committee or policy board the NANP Administrator should handle policy making or dispute resolution.

62. Discussion. We conclude that the NANP Administrator will process number resource applications and maintain administrative numbering databases. It will assume Bellcore's current NANP Administrator functions and CO code administration functions. Details and additional activities of the NANPA are to be determined by the NANC, so long as these additional activities do not involve policy making or dispute resolution.

63. With respect to commenters' suggestions that the new administrator assume additional responsibilities beyond those of the current NANP Administrator, the record is insufficient for us to reach definitive conclusions. We find, however, that these suggestions merit further discussion than what was received in the record. We also believe that before it undertakes additional duties, a new administrator should focus on assuming the current Bellcore functions and administration of CO codes as these tasks are extremely complicated and critical. Their effective transfer to a neutral NANP Administrator is essential to achieving our objectives. We will seek a recommendation from the NANC as to the additional numbering resources for which the NANP Administrator should be responsible and generally the number conservation authority and responsibilities the NANP Administrator should have. Finally, we agree with BellSouth that the details of specific tasks of the NANP Administrator, such as publishing reports, serving as a subject matter expert on numbering, documenting the NANP and representing the NANP in domestic and international fora, should be developed by industry, through the NANC subject to regulatory oversight.

64. Since NCS filed its comments in June 1994, the Government Emergency Telephone System (GETS) has been established. The GETS Tariff Order indicates that GETS will use the 710 area code, which Bellcore had reserved for government use for National Security/Emergency Preparedness (NS/EP). The LECs may impose non-recurring charges for the expenses they incurred in activating the 710 area code. In the GETS Tariff Order, the Common Carrier Bureau refused to suspend the tariff transmittals filed by the LECs to establish GETS, allowing them to become effective, as scheduled, on September 30, 1994.¹²⁸ Because GETS has been established and uses the 710 area code under effective tariffs, no

¹²⁶ Id. at 6.

¹²⁷ BellSouth Comments at 6.

¹²⁸ GTE Telephone Operating Companies Tariff F.C.C. No. 1 Transmittal No. 900, GTE System Telephone Companies Tariff F.C.C. No. 1, Transmittal No. 102, US West Communications Tariff F.C.C. No. 5, Transmittal NO. 519, The Southern New England Telephone Tariff F.C.C. No. 39 Transmittal No. 621, 9 FCC Rcd 5758 (1994).

further action is necessary at this time with respect to the 710 NPA.

iii. Selection of New NANP Administrator

65. Background. In the NPRM, the Commission sought comment on whether the Commission should select the new NANP Administrator.¹²⁹

66. Positions of the Parties. The majority of the commenting parties addressing this issue suggests that the Commission select the NANP Administrator.¹³⁰ Many commenters support selection of the NANP Administrator through an RFP process.¹³¹ Parties supporting such a process argue that it will provide valuable information regarding NANP Administrator capabilities and costs.¹³² In this regard, several parties supporting a competitive bid process suggest that it be conducted by the Commission.¹³³ Others suggest that an RFP process be conducted by the industry or that the RFP documents at least be subject to extensive industry input.¹³⁴ ATIS states that selection should be "subject to concurrence by ATIS' board of directors in its capacity as 'holder' of the contract with the third party administrator."¹³⁵

67. Discussion. We conclude that the NANC should select a new NANP Administrator that is not aligned with any particular industry segment. Selection by the NANC should ensure that the best qualified NANP Administrator is selected in a fair and efficient manner and capitalize upon the members' familiarity with numbering issues, in general, and with their needs for a NANP Administrator, in particular. Given the widespread interest and need for prompt selection of a new NANP Administrator, we require the NANC to select the NANP Administrator within the first six months after its first meeting.¹³⁶

C. Centralization of Central Office Code Administration

¹²⁹ NPRM at para. 18.

¹³⁰ See, e.g., McCaw Reply at 2; MFS Reply at 3; NATA Comments at 3.

¹³¹ See, e.g., Bell Atlantic Comments at 4; MFS Comments at 5, n.5.

¹³² See, e.g., Bell Atlantic Comments at 4; Vanguard Comments at 7.

¹³³ See, e.g., MCI Reply at 4; Nextel Reply at 5; Vanguard Comments at 7.

¹³⁴ See, e.g., GTE Comments at 9; Pacific Comments at 2; PCIA Reply at 9-10.

¹³⁵ ATIS Reply at 8.

¹³⁶ See Section IV, E, infra, for a discussion of the maximum time allotted for selection of the NANP Administrator.

68. Background. In the NPRM, the Commission tentatively concluded that the new NANP Administrator should assume the function of Central Office (CO) code assignment. Currently, CO codes are assigned by the dominant LEC in each NPA.¹³⁷ CO code administrators assign and administer CO codes. Functions associated with CO code assignment and administration include processing of CO code applications, accessing and maintaining CO code assignment databases and interpreting CO code guidelines. CO code administrators must also contribute to the CO Code Use Survey (COCUS), which is compiled and used by Bellcore to anticipate and forecast NPA exhaust.

69. CO code administrators are also called on to predict NPA exhaust and plan for NPA relief. When the dominant LEC in an NPA determines that CO codes in that NPA are threatened with depletion, the LEC, in its capacity as the CO code administrator, proposes a relief plan to the state regulatory commission with jurisdiction over the NPA. The state agency then typically conducts a public hearing on the proposal and adopts a final relief plan.¹³⁸ A new NPA code is assigned by either splitting¹³⁹ the old NPA or overlaying¹⁴⁰ it. The NPA relief process, which has been completed in several NPAs and is planned or ongoing in many more, is often controversial due to the concerns of end users, regulators and new market entrants, such as wireless and paging services, who fear they are not receiving equitable treatment from the LEC administrators. The Commission tentatively concluded in the NPRM that the centralization of CO code assignment functions in the new NANP

¹³⁷ See note 20, supra.

¹³⁸ See, e.g., Illinois Bell Telephone Company Petition for Approval of NPA Relief Plan for 708 Area Code by Establishing a 630 Area Code, Illinois Commerce Commission, No. 94-0315, Order (released March 20, 1995) (ordering a three-way split of the 708 area code in suburban Chicago); Airtouch Communications v. Pacific Bell, California Public Utilities Commission, Case No. 94-09-058 (Order pending) (proposed plan to overlay new area code 562 in same geographical region as existing 310 area code in southern California).

¹³⁹ When an NPA split occurs, the area within the original NPA is split into two or more areas. One area retains the original NPA code, while the other areas are assigned new NPA codes. Typically, NPA splits involve splitting the original area into two areas. Telephone subscribers in the area assigned the new NPA codes, must change their telephone numbers.

¹⁴⁰ When an NPA overlay occurs, the boundaries of the area within the original NPA are not changed. The existing NPA code remains in use and one or more NPA codes are introduced, or overlaid, for use within the original NPA area. Existing telephone subscribers are not required to change their telephone numbers. Following the overlay, all new subscribers, or certain types of subscribers such as cellular phone users receive telephone numbers using the new NPA codes.

administrator would be in the public interest.¹⁴¹

70. Position of the Parties. A majority of commenters support the Commission's tentative conclusion that responsibility for administering CO codes should be centralized in the new NANP Administrator.¹⁴² Several commenters argue that LEC administration of CO codes gives the LECs an unfair advantage over competing services.¹⁴³ AirTouch finds it "intolerable in a market as competitive and dynamic as telecommunications that when, how and where a wireless carrier assigns numbers to its subscribers is regularly dictated by a competing user of those numbers."¹⁴⁴ Wireless and paging service providers express particular concern with NPA relief planning as it has been exercised by the LEC CO code administrators. AirTouch cites its experience related to NPA relief planning for the Los Angeles area, arguing that the original solution proposed by Pacific affected only cellular and paging providers.¹⁴⁵ PCIA explains in detail why it believes the impact of NPA relief such as has occurred in New York, Los Angeles and Chicago is discriminatory and poses a serious threat to competition.¹⁴⁶ TCG notes that in applying for CO codes from LEC administrators, it was required to divulge sensitive information that could be used in an anti-competitive manner by the LECs, and for this reason alone CO code administration should be centralized and performed by a neutral NANP administrator.¹⁴⁷

71. Vanguard argues that centralizing CO codes will increase efficiency of CO code assignment.¹⁴⁸ Similarly, some commenters maintain that centralizing CO code administration in a neutral NANP administrator would lead to uniform and consistent application and interpretation of CO code assignment guidelines.¹⁴⁹ TCG filed CO code

¹⁴¹ NPRM at para. 29.

¹⁴² See, e.g., Ad Hoc Comments at 6-7; ALTS Reply at 3; AMTA Comments at 6; AT&T Comment at 10, n. 11; McCaw Reply at 8; Nextel Reply at 9-10; OPASTCO Comments at 4; PCIA Reply at 10; Sprint Reply at 4; TCG Reply at 3.

¹⁴³ See, e.g., AirTouch Comments at 7; ALTS Reply at 3; Ad Hoc Comments at 6; APC Comments at 2; TCG Reply at 4..

¹⁴⁴ AirTouch Comments at 7.

¹⁴⁵ AirTouch Comments at 6.

¹⁴⁶ PCIA Reply at 2-5.

¹⁴⁷ TCG Reply at 3.

¹⁴⁸ Vanguard Comments at 7.

¹⁴⁹ See Nextel Reply at 9; PCIA Reply at 10.

requests with every BOC in whose area TCG operates in order to test for compliance with CO code guidelines and in its Reply points to the disparate responses it received from the BOCs.¹⁵⁰

72. Several commenters, primarily LECs, do not support centralization of CO code administration functions at this time.¹⁵¹ They argue that centralizing and transferring the functions of CO code administration to the new NANP Administrator would be extremely complicated and would greatly increase the workload of that administrator.¹⁵² LECs also argue that CO code administration is dependent on local characteristics and therefore requires the administrator to monitor closely details such as local geography, a task which would be difficult if administration is centralized.¹⁵³ Finally, LECs contend that CO code administration, which involves NPA relief in addition to code assignment, is an issue under the authority of state public utility commissions and state legislatures and therefore should not be removed from the state level.¹⁵⁴ Therefore, several LECs urge the Commission to defer the transfer and centralization of CO code administration to a later proceeding following a fuller assessment of what such transfer will entail and after the transfer of existing NANP functions.¹⁵⁵ Several commenters agree that CO code administration should not be centralized until after a transition period has ended, because it is more complex than other NANP administration functions.¹⁵⁶

73. Discussion. We affirm our tentative conclusion in the NPRM that the functions associated with CO code administration should be centralized and transferred from the LECs to the new NANP administrator. We reach this conclusion for three reasons. First, we agree with commenters arguing that centralizing CO code assignment in a third party not affiliated

¹⁵⁰ TCG Comments at 4; TCG Reply at 2; but see Pacific Reply at 11.

¹⁵¹ See, e.g., Pacific Comments at 6-7; CBT Comments at 3; Stentor Comments at 7; TSTT Reply at 3; NYNEX Comments at 10-11; US WEST Comments at 9-10.

¹⁵² See, e.g., CBT Comments at 3; GTE Comments at 12; Pacific Comments at 6-7; Stentor Comments at 7.

¹⁵³ See, e.g., Ameritech Reply at 6; Pacific Comments at 6; GTE Comments at 12.

¹⁵⁴ NYNEX Comments at 10; SBC Comments at 10-11; see also Bellcore Comments at 6-7; but see McCaw Reply at 8 ("[D]ecentralizing code exhaust planning among 51 regulatory authorities would paralyze effective administration of the NANP.").

¹⁵⁵ Ameritech Reply at 6; Bellcore Comments at 7; NYNEX Comments at 10-11; SBC Comments at 10-11; US WEST Comments at 9-10.

¹⁵⁶ Bell Atlantic Comments at 4; GTE Reply at 3; McCaw Reply at 8; MFS Reply at 4; Sprint Reply at 4.

with any segment of the industry will help to ensure that all those requiring them have equal, non-discriminatory access to CO codes. The current system of LEC assignment of CO codes is potentially incompatible with the principles we espoused in the Ameritech Order that numbering administration should be non-discriminatory, pro-competitive and should encourage the introduction of new technologies, which often will be used to compete with the LEC for market share.¹⁵⁷ CO codes are essential to other new service providers, including cellular carriers and paging providers. The linkage between CO code availability and the growth of competition to the LECs' core business increases the potential for and perception of unfair treatment in CO code allocation. An entity requesting CO codes is required to divulge competitively sensitive information to the CO code administrator. Having a CO code administrator unaffiliated with the dominant LEC would assure parties requesting codes that such information could not be used in an anti-competitive manner.

74. Second, centralizing CO code assignment in one neutral entity will increase the efficiency of CO code assignment. Currently, different LECs interpret the CO Code Assignment Guidelines¹⁵⁸ in their capacities as CO code administrators. Centralizing CO code assignment will lead to a more consistent application of assignment guidelines.

75. Third, a centralized CO code administration mechanism would allow the Commission and regulators from other NANP member countries regulators to keep abreast of CO code assignments and therefore to predict potential problems, such as exhaust, sooner than is possible under the current system.

76. Several LEC commenters noted that a drawback of centralizing CO code administration in the new NANP Administrator is that such a transfer of functions would complicate and increase that administrator's workload, requiring a larger staff than the current NANP Administrator. While this may be true, there is no indication that CO code administration can *not* be accomplished by a single entity and no indication why a staff must be as large as the current combined CO and NANP Administrator staff.

77. The Commission has recognized that states have a role and certain interests in the regulation of numbering resources and that it need not preempt states in order to take action with respect to numbering.¹⁵⁹ Historically, with the exception of matters involving

¹⁵⁷ See Ameritech Order at para. 17-20.

¹⁵⁸ INC 95-0407-008, Rev. 4/7/95. The INC develops guidelines for the NANP Administrator and CO Code Administrators to use when processing applications for number assignments. Guidelines exist for a variety of number types including CO Codes, CICs, 800-855 numbers, and 555-NXX numbers among others. Most are developed by INC through industry initiative. In the case of CO Code Administration guidelines, the Commission directed industry to develop the guidelines.

¹⁵⁹ Ameritech Order at para. 10.

NPA exhaust and CO code administration, states have had a limited role with respect to NANP issues and limited interaction with the NANP Administrator. Currently, when an NPA is threatened with exhaust, the local LEC CO code administrator will propose an NPA relief plan to the relevant state regulatory body, often after input from other industry entities.¹⁶⁰ The state regulatory body holds hearings on the proposed plan, and adopts a final relief plan. Our requirement that CO code administration be centralized in the NANP Administrator simply transfers the functions of developing and proposing NPA relief plans from the various LEC administrators to the new NANP Administrator.¹⁶¹ State regulators will continue to hold hearings and adopt the final NPA relief plans as they see fit.

78. We do not agree, however, that this necessarily compels the conclusion that CO code administration, as opposed to regulatory oversight, must be performed at the local level by state regulatory agencies or local third party entities. To continue decentralized control over CO code administration would be inefficient. Having state regulators, or designated third parties in each state, administer CO codes could create fifty-one different administrators in the United States. We note that there was little comment in the record, however, from state regulators regarding this issue despite the Commission's tentative recommendation in the NPRM that CO code administration be centralized.

79. We find no cause to defer the decision to centralize CO code administration. So long as the LECs perform the functions of CO code administration, the suspicion of anti-competitive and discriminatory treatment in CO code assignment and area code relief continues. The contentious proceedings provoked by announcements of area code relief plans can only be alleviated by ending LEC administration of CO codes. Therefore, we conclude LECs should relinquish the role of CO code administrator as soon as practicable. We do not believe a separate proceeding is necessary to determine *whether* CO code administration should be performed by the new NANP administrator. We have sufficient information before us to make that determination in this proceeding.

80. The telecommunications landscape is vastly different from what it was a decade ago, and numbering administration must reflect that change. The market entry of new competitors makes continued control over the administration of CO codes by dominant local exchange telephone companies untenable. We therefore conclude that the functions associated

¹⁶⁰ See, e.g., Illinois Bell Telephone Company Petition for Approval of NPA Relief Plan for 708 Area Code by Establishing a 630 Area Code, Illinois Commerce Commission, No. 94-0315, Order (released March 20, 1995) (ordering a three-way split of the 708 area code in suburban Chicago); Airtouch Communications v. Pacific Bell, California Public Utilities Commission, Case No. 94-09-058 (Order pending) (proposed plan to overlay new area code 562 in same geographical region as existing 310 area code in southern California).

¹⁶¹ States will also have input into the development of proposed NPA relief plans to the extent that they are represented on the NANC.

with CO code administration shall be centralized and transferred from the LECs to the new NANP Administrator. We discuss the timing of such transfer and other related issues in Section IV, E.

D. Funding of Numbering Administration Activities

81. Determining the appropriate transition from Bellcore to a new NANP Administrator operating under the industry model requires that we consider how the costs of numbering administration should be recovered. The Commission noted in the NPRM that determining the appropriate cost recovery mechanism would be complicated, given "the complexities of administering a numbering plan that covers not only the United States but also other countries as well."¹⁶² Currently, numbering administration is funded by the Bellcore Client Companies who support Bellcore. CO code administration is mainly funded by the LEC administrator in each area code. Numbering policy is funded by the members of industry, that sponsor and participate in industry number fora addressing numbering policy. In the following discussion we address funding mechanisms for Commission numbering activities. The second section addresses funding of the NANP administrator.

1. Commission Numbering Activities

82. Background. In the NPRM, the Commission suggested collecting regulatory fees under the Omnibus Budget Reconciliation Act of 1993 (Budget Act) which amended the Communications Act to permit the Commission to collect regulatory fees.¹⁶³ The Commission indicated that the extent to which such fees could be used to recover costs of NANP administration would depend on the entity chosen as NANP Administrator.¹⁶⁴

83. Positions of the Parties. Several parties support the Commission's collection of regulatory fees.¹⁶⁵ For example, BellSouth states that it "is not opposed to the Commission's collection of fees related to its NANP oversight responsibilities provided the fees are

¹⁶² NPRM at para. 31.

¹⁶³ See Omnibus Budget Reconciliation Act of 1993, P.L. No. 103-66, Aug. 10, 1993. Under Section 9(b)(1)(A) of the Communications Act, as amended by the Budget Act, the amount of the "regulatory fees" to be collected for a given activity is "derived by determining the full-time equivalent number of employees performing the activit[y] . . . adjusted to take into account factors that are reasonably related to the benefits provided to the payor of the fee by the Commission's activities"

¹⁶⁴ NPRM at para. 33.

¹⁶⁵ See BellSouth Comments at ii; CTIA Comments at 6; MCI Reply at 4.

quantifiable and reasonable."¹⁶⁶ Others oppose the use of regulatory fees to fund numbering activities.¹⁶⁷ They argue that the Commission does not need to collect additional fees beyond those currently collected because any additional burden imposed on the Commission to regulate numbering will not be significant.¹⁶⁸

84. Discussion. We conclude that the Commission should invoke its Budget Act authority to recover its costs for regulating numbering activities, including costs incurred from the establishment, oversight of and participation in the NANC. The Commission is required to institute a rulemaking proceeding annually to adjust the schedule of regulatory fees to reflect its performance of the activities described in the Budget Act.¹⁶⁹ Therefore, we intend to include the costs incurred by the Commission related to NANC and the regulation of numbering in the fiscal year 1996 adjustment of the schedule of regulatory fees. In that proceeding we will assess the nature and amount of the additional burdens imposed by the activities authorized here and all interested parties will be afforded an opportunity to comment.

2. Funding for NANP Administrator

85. Background. In the NPRM, the Commission sought comment on potential mechanisms to recover the cost of the NANP Administrator, if the Administrator was an entity other than the Commission. These mechanisms included voluntary contributions, charges for numbering resources, a fund supported by mandatory contributions, assessment of a surcharge on an existing fund and use of a surplus from an existing fund.¹⁷⁰ The NPRM also observed that CSCN commented that impartial numbering administration will only be perceived to occur if funding is provided on the widest industry base practicable -- including all of North America.¹⁷¹ The NPRM concluded by noting Commission plans to establish, with other NANP member countries, a system of charges payable directly to the new NANP administrator by those who directly benefit from operation of the NANP.¹⁷²

¹⁶⁶ BellSouth Comments at iii.

¹⁶⁷ See GTE Comments at 13, n. 25; Pacific Comments at 7-8; PCIA Reply at 12; SBC Comments at 7.

¹⁶⁸ PCIA Reply at 12; SBC Comments at 7.

¹⁶⁹ 47 U.S.C. § 159(b)(2).

¹⁷⁰ NPRM at paras. 34-37.

¹⁷¹ Id. at para. 30 citing CSCN NOI Comments at 1.

¹⁷² Id. at para. 38.

86. Positions of the Parties. Commenters urged the Commission to consider a number of general principles regarding funding of NANP administration. The fundamental principles commenters raised include: Any funding mechanism should be equitable, competitively neutral and apply consistently to all users of number resources; numbering administration should be funded by all users of number resources or those who directly benefit from number resources; any funding mechanism should encourage efficient use of number resources; and, the costs of funding numbering administration should not outweigh the benefits.¹⁷³ Bellcore agrees that the costs of numbering administration should be apportioned so that users of numbering resources must pay their fair share, but cautions that "the cost to develop and execute such an approach could easily exceed the cost of the current administration activities."¹⁷⁴ Few parties estimate how much administration of the NANP will cost: AT&T states that \$2 million was estimated as a first year budget for the administration of NANP;¹⁷⁵ McCaw asserts that the costs of NANP administration would be \$10 million per year.¹⁷⁶

87. Ad Hoc also suggests that cost recovery should be "no fault", in that all parties bear their own costs for network and switch modification resulting from numbering changes.¹⁷⁷ AirTouch argues that the cost of participation in industry numbering policy forums should be borne by the participants themselves as this is a cost of doing business.¹⁷⁸ Several parties, primarily LECs, argue that any funding plan should recover only future costs and should not impose charges retroactively for numbers that have been assigned previously and are already in use.¹⁷⁹ Bell Operating Company (BOC) commenters contend that they have already paid for administration of numbers in use because they have been funding NANP administration through Bellcore for ten years; retroactively charging for those numbers, therefore, would force BOCs to pay twice.¹⁸⁰ Three commenters maintain that any cost-

¹⁷³ See, e.g., OPASTCO Comments at 5; NYNEX Comments at 12.

¹⁷⁴ Bellcore Comments at 5.

¹⁷⁵ AT&T Comments at 12, n. 16.

¹⁷⁶ McCaw Comments at 5, n. 13.

¹⁷⁷ Ad Hoc Comments at ii; see also, AirTouch Comments at 5.

¹⁷⁸ AirTouch Comments at 5.

¹⁷⁹ See, e.g., Bell Atlantic Comments at 5-6, Reply at 1-2; CMA Comments at 1; GTE Reply at 4-5; Pacific Reply at 2, n. 1; SBC Reply at 9-10.

¹⁸⁰ See Bell Atlantic Comments at 5-6; Pacific Reply at 2, n. 1; SBC Reply at 10.

recovery mechanism must take into account numbers that are already in use.¹⁸¹ TCG argues that not including numbers already in use would "permanently eliminate the single largest source of funding for future NANP administrative functions."¹⁸²

88. Parties propose several funding mechanisms to offset those costs of NANP administration that are not recovered through Commission regulatory fees. Many commenters agree with the tentative conclusion in the NPRM that NANP administration should be funded by a system of cost-based charges, assessed in relation to an entity's use or benefit from the use of numbering resources. Some commenters agree that charges should be payable directly to the NANP administrator.¹⁸³

89. Several commenters suggest using surpluses or surcharges from existing funds established by the Commission, such as the Telecommunications Relay Service (TRS) Fund,¹⁸⁴ to recover the costs of numbering administration. They argue that using an existing fund would obviate the need to create an entirely new funding infrastructure.¹⁸⁵ Parties opposed to using surpluses argue that such a system of cost recovery would be inequitable.¹⁸⁶ NECA, the administrator of the TRS fund, argues that existing fund surpluses should not fund numbering administration because funds should "be utilized only for the specific purposes authorized by

¹⁸¹ See McCaw Reply at 10; Nextel Reply at 8; TCG Reply at 4.

¹⁸² TCG Reply at 4.

¹⁸³ See, e.g., Pacific Comments at 8; Dean Brothers Comments at 4-5.

¹⁸⁴ TRS is a telephone transmission service that allows persons with hearing and/or speech impairments to use the telephone. The TRS Fund is a shared funding mechanism for recovering the costs involved in providing interstate TRS service. See 47 C.F.R. § 64.604(c)(4)(ii). All carriers providing interstate telecommunications service are required to contribute a portion of their gross interstate revenues to the TRS Fund, see 47 C.F.R. § 64.604(c)(4)(iii)(A)-(B), and TRS providers receive payments from the Fund designed to compensate them for the reasonable costs incurred in providing TRS service. See 47 C.F.R. § 64.604(c)(4)(iii)(E). The TRS fund is currently administered by the NECA. See Telecommunications Relay Services, Third Report and Order, 8 FCC Rcd 5300 (1993).

¹⁸⁵ AT&T Comments at 13, n. 17; Bellcore Comments at 6 (noting, however, that "this might not provide an appropriate vehicle for participation in funding" by other NANP countries); McCaw Comments at 5, n.13 (supports small surcharge on an existing fund, but does not support using surpluses of existing funds); PCIA Reply at 12; Teleaccess Comments at 5.

¹⁸⁶ See, e.g., McCaw Comments at 5, n. 13; SBC Comments at 7-8.

the Commission."¹⁸⁷

90. Other commenters support creation of a new fund to pay for numbering administration.¹⁸⁸ Several commenters argue that a new funding mechanism could be administered by NECA.¹⁸⁹ Commenters opposed to creation of a new funding pool argue that a separate funding infrastructure would be inefficient because it "would simply create another layer of administration that would require funding of its own."¹⁹⁰ BellSouth argues that the Commission should collect costs under a system similar to the SMS 800 Database cost recovery system.¹⁹¹

91. Many parties commented on how an entity's charge for NANP Administration should be determined. Sprint suggests that charges to fund numbering administration should be assessed in proportion to each entity's use of numbering resources by using the criteria in the Budget Act Schedule of Regulatory Fees to compute charges.¹⁹² Sprint indicates that use of this schedule would apply to all telecommunications service providers which use numbering resources, be simple to implement and be competitively neutral.¹⁹³ SBC maintains that the costs of NANP administration should be shared equally by all who use or benefit from numbering resources; the cost would be spread among many different entities, minimizing the costs to each contributor.¹⁹⁴ A majority of parties commenting on the issue argue that charges to recover costs of number administration should be assessed in proportion to each entity's use of or benefit from numbering resources.¹⁹⁵ They argue that proportional funding is the "only fair, logical and competitively neutral approach for funding numbering administration."¹⁹⁶

¹⁸⁷ NECA Comments at 10.

¹⁸⁸ See AT&T Comments at 13 (supporting use of NECA to implement new NANP funding mechanism); ATIS Comments at 12; CBT Comments at 4; Pacific Comments at 8.

¹⁸⁹ See AT&T Comments at 13; NYNEX Comments at 14; NECA Comments at 9.

¹⁹⁰ OPASTCO Comments at 5. See also PCIA Reply at 12; CTIA Comments at 6.

¹⁹¹ BellSouth Comments at 12.

¹⁹² Sprint Reply at 6.

¹⁹³ Id. at 7.

¹⁹⁴ SBC Comments at 6-7.

¹⁹⁵ See, e.g., MFS Comments at 6; NARUC Comments at 5; Nextel Reply at 9; Stentor Comments at 8; TSTT Reply at 4.

¹⁹⁶ Nextel Reply at 9.

92. Other parties argue that fees for numbering administration should be assessed in proportion to each entities' use of numbering resources by imposing charges on a per-number basis.¹⁹⁷ For example, Vanguard argues that this is the easiest measure that reflects a provider's use of numbers and should be modest given the large amount of telephone numbers.¹⁹⁸ LEC commenters do not support per-number charges. They argue that carriers should not be subject to per-number charges because numbers are a national resource¹⁹⁹ and because per-number charges would be inequitable.²⁰⁰ Sprint contends that fees should not "purport to reflect the value -- actual or perceived -- of the numbering resources."²⁰¹ All commenters who addressed the issue opposed making contributions for NANP funding voluntary.²⁰²

93. Several parties address how costs can be recovered from entities outside of the United States, but within the NANP. Some parties propose nominal fees²⁰³ or per-minute charges for non-U.S. entities that do not wish to voluntarily contribute.²⁰⁴ Stentor maintains that the costs of regulation in any country should be borne solely by that country or by entities within that country.²⁰⁵ USTA states that "[r]egulators and industry participants in [the U.S.] must work with the counterparts in the rest of World Zone 1 to ensure that all who use the NANP fund their fair share . . ." of numbering administration costs.²⁰⁶

94. Discussion. We conclude that for the purpose of recovering the costs of the NANP Administrator within the United States that the gross revenues of each communications

¹⁹⁷ See CMA Comments at 2; Telco Planning Reply at 1; Vanguard Comments at 13.

¹⁹⁸ Vanguard Comments at 13.

¹⁹⁹ See AirTouch Comments at 5; Pacific Comments at 8.

²⁰⁰ See Stentor Comments at 7-8 (per-number charges would unduly favor IXC's, which do not have significant dedicated number resources but benefit from those resources); USTA Reply at 3.

²⁰¹ Sprint Comments at 10.

²⁰² See Dean Brothers Comments at 4; GTE Comments at 14; McCaw Comments at 5, n. 13; Pacific Comments at 9; Stentor Comments at 8; TSTT Reply at 3; and USTA Comments at 9.

²⁰³ NECA Comments at 9.

²⁰⁴ NEXTEL Comments at 13.

²⁰⁵ Stentor Comments at 8.

²⁰⁶ USTA Comments at 9.

provider should be used to compute its contribution to the NANP Administrator. We anticipate that the current funding of Bellcore, as NANP Administrator will continue until Bellcore's current functions have been transferred to the new administrator. Likewise, we anticipate that the current funding and cost recovery mechanisms for the CO code administrators will continue until a CO code administrators' current responsibilities are transferred to the new NANP Administrator. Within these guidelines, we request that the NANC determine the details concerning recovery of the NANP Administrator costs, such as the specific mechanisms for collecting these funds and disbursing them to the Administrator. While the record does not allow an exact determination of the costs of NANP Administration, it would appear that the costs of the current NANP administration functions of Bellcore are on the order of \$1.5 million, based on the number of Bellcore staff currently working on NANP administration. Once CO code administration centralization occurs it appears the annual cost for the NANP administrator would not exceed \$10 million, based on estimates that staffing would at most require 40-50 people with loaded salaries including overhead costs of \$200 thousand per employee.

95. We agree with parties who contend that the fundamental principles in establishing a cost recovery mechanism are that the mechanism should be fair, competitively neutral and apply consistently to all users of number resources. We further agree that NANP administration costs should be borne by those who benefit from number resources and that the cost to administer a cost recovery mechanism should be reasonable in light of the total costs for number administration. Applying these principles and objectives set forth in Section III, we assess each of the proposed cost recovery mechanisms and methods for determining each entity's charge.

96. We also agree with commenters who indicate that a funding mechanism should encourage efficient use of number resources. With respect to the efficient use of number resources, we believe the mechanism we adopt should not undermine that goal. Beyond commenters' suggestions that a funding mechanism should promote efficient use of number resources, recent industry events involving 800 numbers and CICs suggest that approaches for ensuring number conservation and their efficient use are necessary. We are currently developing measures to ensure more efficient use of 800 and 888 toll free numbers and are investigating several matters related to current consumption of CICs. Additionally, there are other approaches, such as number auctions that could ensure more efficient use of number resources. As discussed in Section IV, B(2), we have also requested a recommendation from the NANC as to how numbers can be conserved. As part of this recommendation, we request that the NANC investigate the possible use of number auctions, per number charges that reflect the different values of a numbering resource and other funding mechanisms that may be used to ensure efficient number use.

97. We reject the proposal to use surpluses or surcharges from existing funds to offset the costs of numbering administration because the parties contributing to other funds would not comprise all the entities benefitting from NANP administration. Using surpluses or surcharges would therefore be inequitable. Reliance on surpluses from or surcharges on

existing funds would not allow for participation of non-United States members of the NANP. In addition, surpluses cannot be projected with any certainty from year to year. We decline to create a separate new fund to pay for numbering administration because as several commenters have observed, creation and administration of a new fund would itself impose an additional layer of costs for administrating the new fund.

98. We also reject BellSouth's suggestion that costs for numbering administration be collected under tariff similar to those used to achieve the SMS 800 Database cost recovery system.²⁰⁷ We find that such a tariff requirement is inconsistent with the international nature of the NANP because the tariffs would be approved and regulated by the Commission without affording other NANP member countries approval authority.

99. The Commission also must address how charges for recovery of numbering administration costs should be allocated. Charges to fund numbering administration should be assessed in proportion to each entity's use of or benefit from numbering resources. We believe that numbering is fundamental to the telecommunications industry. Very few of the functions performed by the industry could be performed without the use of numbers. We conclude each communications provider should pay a fee based on its direct or indirect use of numbering resources and that charges for the NANP Administrator will be based on each communications providers's gross revenue, which is a reasonable and equitable measure of that use. The funding approach is prospective and assures that all users of numbering resources contribute to funding administration of the numbering resources upon which they rely. Our enforcement authority under the Communications Act will ensure that NANP Administrator fees will be paid.

100. While we recognize that use of per number charges applied to specific number types, reflecting their relative scarcity and value may be appropriate and achieve important efficiency objectives, at this time we do not believe charging on a per-number basis for all numbers would be appropriate. We do not support funding the NANP Administrator solely through per-number charges because per-number charges would be inequitable, as they may fall disproportionately on the fastest growing users of numbers such as wireless service providers. Additionally, implementing a system of per number charges would require additional record keeping and accounting to establish each entity's charge, leading to an additional administrative level which many parties and this Commission seek to avoid.

²⁰⁷ Access to the 800 Service Management System (SMS) is tariffed under Title II of the Communications Act. DSMI provides a centralized organization to administer access to the SMS Database for Responsible Organizations (RESPORGs). DSMI is responsible for administration of the SMS, user billing and collection of tariff charges. To the extent that DSMI focuses solely on ministerial functions associated with 800 number assignment, the DSMI's role within the 800 number assignment model is similar to the role of the NANP Administrator in the Industry Model we adopt for NANP administration.

101. We also conclude that we will not rely on voluntary contributions because, they are too unreliable a source of funding for the new NANP administrator. Additionally, voluntary funding does not ensure a fair allocation of the cost of administering numbering resources among those that will benefit from such administration. Similarly, a flat uniform charge imposed upon all users of numbering resources would not ensure a fair allocation of the use of numbering resources: large users of numbering resources would contribute too little, while small users would pay too much. Even if a flat fee for numbering administration were minimal, it is simply inequitable to require entities that consume little of this limited resource to pay the same fee as those that consume greatly.

102. Because the NANP is an international resource, the administrator would be providing services to the telecommunications service providers of the United States and other nations. This Commission, however, clearly cannot impose any funding requirements on entities outside of the United States. We would hope that their recognition of the benefits accruing from their participation in the NANP would cause entities outside the United States to continue to contribute to its success. We believe that Canadian and Caribbean telecommunications entities could easily be incorporated into the mechanism we require for United States carriers, so that one method of funding may be used for all. As with all NANP-related issues, we will continue to coordinate NANP funding issues with Canada and Caribbean member countries.

E. Transition to New NANP Structure

1. Bellcore Report

103. Background/Positions of the Parties. Nextel states that Bellcore should file a report detailing its functions and costs related to NANP administration.²⁰⁸ MCI supports this suggestion.²⁰⁹ ALTS, in its comments, suggests that the Commission should direct Bellcore "to set forth its existing policies ... [and] the Commission should then issue those policies for comment and ultimate Commission approval before any new body is formally charged with taking over their administration."²¹⁰ MCI opposes this suggestion, arguing that a requirement that Bellcore file a report is adequate and more efficient.²¹¹

104. Discussion. Bellcore, as the current NANP Administrator, is best situated to provide guidance regarding administrative functions and associated costs. Throughout its tenure as Administrator, Bellcore has conducted number administration in a manner that

²⁰⁸ Nextel Comments at 14-15; Nextel Reply at 2.

²⁰⁹ MCI Reply at 8.

²¹⁰ ALTS Comments at 4.

²¹¹ MCI Reply at 8.

ensured the integrity of the NANP and has fully cooperated with the Commission. We fully anticipate that during the transition to a new Administrator, Bellcore will continue to operate in a manner that ensures the integrity of the NANP and is supportive of transition efforts. Therefore, we do not require Bellcore to file a report detailing its functions and costs as Nextel requested.

2. Schedule

105. Background. In the NPRM, the Commission stressed the need for prompt selection of the new NANP Administrator and transition to the new NANP model.²¹² The Commission cautioned, however, that the new interchangeable numbering plan areas (INPAs) would have a significant effect on NANP administration. The Commission tentatively concluded: "the transition period should begin as soon as the new administrator is identified, and ... extend to a date at least six months after the change to INPAs in January 1995."²¹³

106. Positions of the Parties. The majority of the commenting parties addressing this issue agrees that transition to the new NANP administration model should be as prompt as possible.²¹⁴ There is also, however, concern that the transition period be sufficiently long that the new Administrator can prepare adequately to assume its new functions.²¹⁵ The commenting parties generally conclude January 1995, when the first INPAs were introduced, is a reasonable time to begin the transition, but differ over the specific length of the transition period. For example, Sprint states: "... because INPA conversions are demand-driven ... Bellcore should not remain the NANPA until the entire country has INPAs. Instead, the new NANP Administrator should assume control as soon after January 1, 1995 ... as possible."²¹⁶ Similarly, Telaccess argues: "The new administrator should begin *no later* than 6 months after January 1995 ... There is nothing that INPAs can seriously endanger ... [E]ntertaining any longer time frames will be a disservice to the marketplace. The Commission should target January 1995 as the date it begins taking over numbering administration from Bellcore."²¹⁷ Conversely, other commenting parties feel that the implementation of the INPAs should signal the beginning of a lengthier transition period. For example, Bell Atlantic and Stentor both

²¹² NPRM at para. 17.

²¹³ Id.

²¹⁴ See, e.g., Sprint Comments at 5-6; Bell Atlantic Comments at 2; Ad Hoc Comments at 2.

²¹⁵ See, e.g., GTE Comments at 9-10; PCIA Comments at 7.

²¹⁶ Sprint Comments at 5-6.

²¹⁷ Telaccess Comments at 4.

suggest a one-year transition period.²¹⁸

107. Regarding the period for the transfer of CO code administration functions, while there is concern expressed that the function should be centralized promptly,²¹⁹ several commentators argue that this should not occur until after other NANP administration functions have been transferred because CO administration is more complex than other NANP administration functions.²²⁰

108. Discussion. We believe the transition to adopt the industry model for number administration, transfer Bellcore's current NANP administration functions to a new administrator and centralize CO codes should occur as rapidly as possible, consistent with sound planning. To this end, we establish the following transition schedule that sets time periods as outside limits for the completion of each phase of the transition. Those steps are:

- 1) The first meeting of the NANC that we are seeking to establish should occur no later than 30 days after the Charter's approval, which we anticipate will occur promptly after release of this Order;
- 2) The NANC should select the NANP Administrator no more than 180 days after the NANC's first meeting;
- 3) Shifting of the current NANP Administrator's functions to the new NANP Administrator should occur no later than 90 days after selection of the new NANP Administrator; and
- 4) The CO code assignment function should be transferred to the new NANP Administrator no more than 18 months after the new administrator has assumed all of Bellcore's current NANP Administrator functions.

109. We intend immediately to take all steps necessary to secure the approval of the Office of Management and Budget and the General Services Administration of the NANC as a federal advisory committee, and following such approval, to notify the public of the existence of the committee. We will work to ensure that the NANC will be able to meet promptly after its charter is approved. The initial NANC meeting is essential to an orderly and prompt selection of an NANP Administrator and the transfer to it of Bellcore's responsibilities as NANP Administrator.

²¹⁸ Bell Atlantic Comments at 2; Stentor Comments at 3.

²¹⁹ See, e.g., Ad Hoc Comments at 6-7; APC Comments at 2; TCG Reply at 2.

²²⁰ See, e.g., Bell Atlantic Comments at 4; GTE Reply at 3; McCaw Reply at 8; MFS Reply at 4.

110. Once the NANC conducts its first meeting, we expect that it will begin advising us promptly. As stated above, a primary purpose of the NANC will be for it to select an impartial NANP Administrator.²²¹ Within 180 days after its first meeting, the NANC should select a new NANP Administrator. The combined expertise of the various members of the NANC should enable them to select a NANP Administrator promptly and efficiently.

111. We do not believe that there is a need for lengthy transition period for Bellcore's current NANP Administrator functions to be transferred to a new Administrator. This transfer involves only two entities, Bellcore and the new administrator and the functions to be transferred have existed for some time and are well defined by Bellcore.

112. The specific designation in the NPRM of a transition period of at least 6 months after introduction of the INPAs in January 1995 is now moot. INPAs are currently being introduced and efforts are in place to address the problems associated with them.²²² A three month maximum transition period after selection of the NANP Administrator should be adequate also given our expectation that Bellcore will continue to provide useful information to the new NANP Administrator.

113. A lengthier transition period for the transfer of the CO code administration function is necessary. We are not initiating a separate proceeding to determine whether CO code administration should be performed by the new NANP Administrator.²²³ We do recognize a need for a transition period to transfer CO code administration to permit the new administrator to gather necessary information and perform the logistics involved in transferring CO Code administration from the LECs to the NANP Administrator.

114. The difficulty of centralizing and transferring CO code administration to a new NANP Administrator will be much greater than that associated with transferring those functions already performed by the current NANP Administrator. Eliminating the potential for discriminatory treatment that exists under the current system is a major purpose behind the decision to adopt the new model for administering numbering resources. Nonetheless, the new Administrator must have the opportunity to become fully competent to perform the CO code functions before those functions should be transferred.

²²¹ See Section IV, B, supra.

²²² The primary problem is Private Branch Exchange (PBX) systems that have not been modified to recognize the new NPAs. Consumers experiencing problems should contact the PBX system provider to determine whether the PBX has been appropriately modified. They also should try to complete the call by first dialing "0." See FCC Public Notice, Consumer Alert: Telephone Number Changes (May 12, 1995).

²²³ See para. 79, supra.

115. We therefore conclude that the functions associated with CO code administration shall be transferred from the LECs to the new NANP administrator no more than 18 months after the transfer of the existing NANP administrative functions from Bellcore to the new administrator has been completed. During the transition to a centralized administration, parties alleging discriminatory treatment with respect to CO code assignment may continue to seek relief from state regulators or the FCC. We will seek a recommendation from the NANC as to a specific transfer plan.

V. CONCLUSION

116. The Commission intends to create the NANC, which will have broad membership, be organized under the provisions of the Federal Advisory Committee Act and operate subject to the provisions of its charter. We affirm that the NANP Administrator should be a single, non-government entity that is not closely identified with any particular industry segment and that the NANP Administrator should assume current NANP Administrator functions of Bellcore, as well as functions associated with administration of CO codes. The NANP Administrator will be selected by the NANC. We affirm that the Commission can and should impose fees to recover its costs of regulating numbering resources. We determine that charges to telecommunications providers to fund the NANP administrator should be in proportion to the gross revenues of telecommunications providers. We present a transition schedule to achieve the new structure for overall number administration.

117. We also define the respective roles of the Commission, the NANC, and the NANP Administrator. The Commission will establish broad domestic policy objectives, make policy and conduct ultimate resolution of domestic numbering disputes. The NANC will advise the Commission, direct the NANP Administrator, apply Commission policy to resolve issues arising in the administration of the NANP, and conduct initial dispute resolution of all issues. The NANP Administrator will process number resource applications and maintain administrative numbering databases. Details and additional activities of the NANP Administrator will be determined by the NANC, so long as these additional activities do not involve policy making or dispute resolution. The industry should continue to determine who maintains the network support databases.

118. We seek from the NANC recommendations on the following issues: (1) What should the plan be for transferring CO code administration responsibilities from LECs to the new NANP Administrator? (2) What future measures should be taken to ensure conservation of numbering resources? (3) What number resources, beyond those currently administered by Bellcore, as the NANP Administrator, should the new NANP Administrator administer? (4) Whether the NANC, after two years, should continue as a federal advisory committee. Additionally, we intend to seek ongoing advice from the NANC on the steps that the Commission should take to foster efficient and impartial number administration. During the first meeting of the NANC we will determine timeframes for the NANC to determine these recommendations.

VI. PROCEDURAL MATTERS

A. Final Regulatory Flexibility Analysis

119. Pursuant to the Regulatory Flexibility Act of 1980, 5 U.S.C. § 601 et. seq., the following final analysis has been prepared:

Need for and objective of the rules:

This Report and Order addresses comments filed in response to the Notice of Proposed Rulemaking (NPRM) concerning administration of the North American Numbering Plan. The rules are necessary to ensure an efficient administration of numbering resources.

After evaluating the comments and reply comments in this proceeding, and further examination of the impact of any rule changes on small entities, the Commission finds that the rule revisions in this proceeding will not have a significant economic impact on a substantial number of small business entities, as defined by Section 601(3) of the Regulatory Flexibility Act. While the rules adopted in this proceeding apply to telecommunications corporations of all sizes that are now assigned telephone numbers or that may in the future seek such assignments, the impact on small business entities served by these corporations and on small telecommunications companies will not be significant.

Summary of issues raised by the public comments in response to the Initial Regulatory Flexibility Analysis:

No comments were submitted in direct response to the Initial Regulatory Flexibility Analysis.

Significant alternatives considered:

The NPRM requested comments on several issues. The Commission has considered all comments and has determined that its numbering policies are best served by the policies adopted herein.

VII. ORDERING CLAUSES

120. ACCORDINGLY, IT IS ORDERED, that pursuant to authority contained in Sections 1, 4(i), 4(j), 7, 201-205 and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 154(j), 157, 201-205, and 403, that the decisions and policies adopted herein SHALL BE EFFECTIVE thirty days after the date of publication in the Federal Register.

FEDERAL COMMUNICATIONS COMMISSION

William F. Caton
Acting Secretary

APPENDIX A: LIST OF PARTIES

I. Parties Filing Comments (June 7, 1994)

Ad Hoc Telecommunications Users Committee (Ad Hoc)
AirTouch Communications (AirTouch)
Alarm Industry Communications Committee (AICC)
Alliance for Telecommunications Industry Solutions (ATIS)
Allnet Communications Services, Inc. (Allnet)
American Mobile Telecommunications Association, Inc. (AMTA)
American Personal Communications (APC)
American Petroleum Institute (API)
American Public Communications Council (APCC)
Ameritech Operating Companies (Ameritech)
Association for Local Telecommunications Services (ALTS)
AT&T Corp (AT&T)
Bell Atlantic
Bell Communications Research, Inc. (Bellcore)
BellSouth Telecommunications, Inc. (BellSouth)
Canadian Steering Committee on Numbering (CSCN)
Cathay, Hutton & Associates, Inc. (CHA)
Cellular Telecommunications Industry Association (CTIA)
Cincinnati Bell Telephone Company (CBT)
Communications Managers Association (CMA)
Competitive Telecommunications Association (CompTel)
Dean Brothers Publishing Company (Dean Brothers)
GTE Service Corporation (GTE)
GVNW Inc./Management (GVNW)
McCaw Cellular Communications, Inc. (McCaw)
MCI Telecommunications Corporation (MCI)
MFS Communications Company, Inc. (MFS)
Missouri Public Service Commission (MoPSC)
National Association of Regulatory Utility Commissioners (NARUC)
National Communications System (NCS)
National Exchange Carrier Association, Inc. (NECA)
Nextel Communications, Inc. (Nextel)
North American Telecommunications Association (NATA)
NYNEX Corporation (NYNEX)
Organization for the Protection and Advance of Small Telephone Companies (OPASTCO)
Pacific Bell and Nevada Bell (Pacific)
Personal Communications Industry Association (PCIA)
Rock Hill (RHTC), Fort Mill (FMTC) and Lancaster Telephone Companies (LTC)
Southwestern Bell Corporation (SBC)
Sprint Corporation (Sprint)

Stentor Resource Centre Inc. (Stentor)
Telaccess
Tele-Communications Association (TA)
Telco Planning, Inc. (Telco Planning)
Telecommunications Resellers Association (TRA)
Teleport Communications Group Inc. (TCG)
United States Telephone Association (USTA)
US WEST, Inc. (US WEST)
Vanguard Cellular Systems, Inc. (Vanguard)
VarTec Telecom, Inc. (VarTec)

II. Parties Filing Reply Comments (June 30, 1994)

Ad Hoc
Aeronautical Radio, Inc. (ARINC)
ATIS
Allnet
ALTS
Ameritech
APCC
AT&T
Bell Atlantic
Comptel
CTIA
GTE
McCaw
MCI
MFS
NATA
National Telephone Cooperative Association (NTCA)
New York State Department of Public Service (NYDPS)
Nextel
NYNEX
Pacific
PCIA
SBC
Sprint
TA
TCG
Telco Planning
Telecommunications Services of Trinidad and Tobago Limited (TSTT)
USTA
US WEST