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February 3, 2000

By Hand & U.S. Mail

Mary L. Cottrell, Secretary

Department of Telecommunications and Energy

One South Station

Boston, MA 02110

Re: Call for Comments Relative to Proposal by Bell Atlantic Massachusetts
(D.T.E. 99-99)

Dear Secretary Cottrell:

Pursuant to the January 26, 2000 Memorandum of Hearing Officers Penders and Howley, MCI WorldCom, Inc. hereby submits its comments regarding Bell Atlantic-Massachusetts' December 20, 1999 proposal for a multi-phased implementation of thousands-block number pooling trials in eastern Massachusetts (the "BA-MA Proposal" or "Proposal").

I. Introduction and General Comments

The implementation of telephone number pooling ("TNP") in eastern Massachusetts has been an inevitability for which all LNP-capable carriers, MCI WorldCom included, have had years to prepare. Indeed, MCI WorldCom is prepared to participate in a pooling regime that is fair and equitable, and that has appropriate safeguards to reduce the potential for abuse. Bell Atlantic's Proposal, however, fails to meet those criteria.

BA-MA's Proposal to populate the industry number pools is comprised of three

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"phases," the last two of which are of concern here. Although there is nothing inherently objectionable with the Proposal's general sequence for implementing TNP, the Proposal is anticompetitive, and thus highly objectionable, because it is structured so that BA-MA does not need to donate any thousands-blocks of numbers until months after pooling actually begins.

Specifically, in Phase 2 of BA-MA's Proposal, carriers would donate vacant thousands-blocks from within their imbedded inventories of NXX codes beginning in April 2000. BA-MA, however, would not begin donating blocks until June 13, 2000, for the 617 NPA, and June 28, 2000, for the 508 NPA. And in Phase 3, carriers "technically able" to donate contaminated thousands-blocks are "encouraged to do so" on an expedited basis although BA-MA's own donations are to be postponed until after February 1, 2001. Because changes in number administration must apply to all carriers at the same time to be competitively neutral, BA-MA's Proposal must be rejected out of hand.

In addition, MCI WorldCom disagrees with, and objects to, portions of the "Cost Recovery" portion of BA-MA's Proposal. MCI WorldCom is also concerned that the Proposal does not explicitly require that the Pooling Administrator ("PA") oversee the assignment of numbers to BA-MA.

II. Discussion

A. Bell Atlantic Should Not Be Permitted to Delay its Own Participation in TNP

First and foremost, there is no valid reason why BA-MA's participation in TNP, specifically its start-date for making donations of vacant thousands-blocks (Phase 2 of the Proposal), or its start-date for making donations of contaminated thousands-blocks (Phase 3 of its Proposal), should be any different from that of other carriers. In essence, Bell Atlantic is suggesting that other carriers, with significantly fewer numbering resources, should contribute their thousands-blocks to the pool while BA-MA enjoys the benefits of its vastly superior numbering resources. The Department should thus reject BA-MA's transparent attempt to evade meaningful participation in TNP at the expense of other carriers.

For purposes of these comments, we do not intend to dispute BA-MA's claim that it will incur significant costs if it is required to contribute blocks of numbers before it has the systems in place to avoid manual participation in TNP. At the same time, however, Bell Atlantic should not be rewarded for not having had the wherewithal or foresight to upgrade its systems sooner than it has, and CLECs should not be subject to the anticompetitive effects of having the costs and burdens of TNP imposed on them sooner than they are imposed on the incumbent carrier. In other words, if BA-MA is not ready to donate blocks in an economically efficient manner, it has no one to blame but itself. As such, to the extent the Department credits BA-MA's cost-related arguments and finds that they provide a legitimate basis for

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permitting BA-MA to put off donating thousands blocks, the appropriate, and competitively neutral, course of action is not to afford special treatment to BA-MA, but rather to defer entirely the implementation of Phases 2 and 3 of the BA-MA Proposal for the brief period it will take for BA-MA to ready itself and its systems to participate alongside the CLECs.

B. TNP Cost Recovery Must Be State-Specific

MCI WorldCom also objects to the "Cost Recovery" portion of BA-MA's Proposal. Specifically, on page 5 of its Proposal BA-MA states that shared industry costs "should be allocated among carriers on the basis of relative revenues." It appears from the context of that statement that BA-MA is advocating that costs be shared on the basis of relative regional revenues. But given that the Department's authority extends only so far as the Commonwealth's borders, a revenue-based cost allocation method can only be based on a carrier's intra-state revenues, specifically consisting of its total in-state revenues from telecommunications minus payments made to other carriers. Along the same lines, MCI WorldCom flatly disagrees with BA-MA's assertion that the PA's administrative costs be "allocated regionally to all carriers." Once again, only the Massachusetts revenue of Massachusetts carriers can be subject to the Department's Orders.

Further on the subject of cost allocation and recovery, in the event that the Department waits until after pooling begins to order same, it must also prescribe the method for true-up.

C. Bell Atlantic Should Acquire Numbers Through the Pooling Administrator

MCI WorldCom believes there needs to be some oversight with respect to the NXX codes that may be assigned to BA-MA after TNP implementation. Every CLEC that needs new thousands blocks once pooling begins in Massachusetts will be required to go through the Pooling Administrator. The PA is responsible for identifying the "LERG-assignee" for any new NXXs required to replenish rate area pools. Carriers, once selected as the LERG-assignee for the pool NXX, send appropriate forms to the North American Numbering Plan Administrator ("NANPA") via the PA. The LERG-assignee gets a single block from the NXX for performing the LERG-assignee function. The PA then places the remaining blocks from the new NXX in the pool for future use, and doles out blocks of numbers to the pool participants as needed. Bell Atlantic's method of obtaining new numbers should be no different than the rest of the industry, yet the Proposal fails to require that BA-MA work through the PA to obtain new numbers. Instead, it appears that BA-MA has proposed that it be permitted to obtain NXXs directly from NANPA.

PA oversight will ensure that thousands-blocks are used by BA-MA consistent with the pooling rules that all carriers must follow, and that the blocks are returned for use in the industry pool. In the absence of PA oversight, there is less assurance

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that that will be done, and BA-MA unnecessarily opens itself up to possible future allegations of improprieties regarding how those blocks were handled. Those potential allegations could easily be mooted by allowing the PA to administer BA-MA requests for NXXs in the same fashion it will administer the requests of all other carriers.

MCI WorldCom recognizes that until early 2001, BA-MA's systems are subject to technical limitations requiring it to be the LERG-assignee for any new thousands-blocks of numbers it needs. Having BA-MA work through the PA to obtain those blocks from NXXs within the PA's control does not adversely impact that requirement. BA-MA should not be treated differently than any other carrier, and thus should not be permitted to request and receive NXXs directly from the NANPA - even if BA-MA warrants that it will use the new NXXs one thousands-block at a time.

In an apparent attempt to allay possible concerns, BA-MA asserts that when it is able to request blocks from the pool it will return unused portion of the NXXs previously obtained. However, MCI WorldCom is not aware of any clear industry guidelines that address the uniqueness of BA-MA's proposal. Were the Department to permit BA-MA to obtain NXXs directly from NANPA, clear guidelines and oversight on BA-MA's temporary custodianship of the industry pool numbers would need to be developed in any event. By placing responsibility with the Pooling Administrator at the outset, the Department will avoid the unnecessary duplication of oversight responsibilities.

III. Conclusion

By its own admission, Bell Atlantic is ill-equipped to donate thousand-blocks for TNP at this time. That being the case, the most logical, economical and competitively neutral action is to postpone implementation of Phases 2 and 3 of Bell Atlantic's Proposal until such time as Bell Atlantic is capable of competently and efficiently donating thousands-blocks. In addition, any TNP plan adopted by the Department must make clear that the recovery from carriers of the costs of the Pooling Administrator is to be based on intra-state revenue calculations. TNP administration must also explicitly provide that BA-MA obtain telephone numbers needed in the future by going through the Pooling Administrator rather than directly to NANPA.

Respectfully submitted,

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