

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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| In the matter, on the Commission's own motion, | ) |                  |
| to consider implementation of a 517 area code  | ) | Case No. U-12552 |
| relief plan.                                   | ) |                  |
| _____                                          | ) |                  |

At the September 15, 2000 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. John G. Strand, Chairman  
Hon. David A. Svanda, Commissioner  
Hon. Robert B. Nelson, Commissioner

**OPINION AND ORDER**

The 1999 Central Office Code Utilization Survey's projected demand for new central office codes (frequently referred to as NXX codes) indicated that the still-available NXX codes in the 517 area code could be exhausted by the third quarter of 2000. Based upon the projected exhaustion date and an unanticipated increase in the demand for NXX codes within the 517 area code, the North American Numbering Plan (NANP) Administrator, which is currently NeuStar, Inc., formally declared the 517 area code's numbering plan to be in jeopardy and, on May 17, 1999, notified the Commission and the industry of that fact.

On July 13, 1999, members of the industry met with NeuStar to discuss long-term relief alternatives for the 517 area code. As a result of that meeting, a geographic split<sup>1</sup> was recommended as

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<sup>1</sup> A geographic split refers to situations in which the geographic area served by an area code is split into two or more geographic areas. An overlay occurs when another area code is

the preferred means of relief. The Lansing LATA, the southern portion of the 517 area code, would retain that designation. The Saginaw LATA, the norther portion of the 517 area code, would become the 989 area code. According to NeuStar and the industry, they reached this conclusion because the 517 area code (1) covers a large geographic area, (2) has not previously been subject to a geographic split, and (3) is composed of two LATAs that provide a natural dividing line for the implementation of a geographic split without separating communities of interest. It was further recommended that permissive dialing (during which callers may use either the existing or the new area code to reach customers in the affected area) be initiated on August 19, 2000 and that required dialing (which makes a caller's use of the new area code mandatory) begin on January 20, 2001. Because the statutes then in effect did not allow the Commission to assert jurisdiction over the proposed area code relief plan, NeuStar and the industry submitted the proposal to the Federal Communications Commission (FCC) on June 15, 2000 for review and approval.

On July 17, 2000, Governor John Engler signed into law Public Act 295 of 2000, which amended the Michigan Telecommunications Act, MCL 484.2101 et seq.; MSA 22.1469(101) et seq. (the Act). Among other things, the amendments grant the Commission authority to address proposed area code changes. Section 303(4) of the Act, which was added by Public Act 295, states that:

The commission has the authority to approve or deny a proposed addition, elimination, or modification of an area code in this state. The commission shall give public notice and shall conduct a public hearing in the affected geographic area before an addition, elimination, or modification of an area code is made in this state.

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assigned to the same geographic area.

MCL 484.2303(4); MSA 22.1469(303)(4). In light of this recent extension of the Commission's authority, the FCC referred the issue of the 517 area code relief plan to the Commission for its consideration by letter dated July 28, 2000. On August 4, 2000, the Commission issued an order setting a public hearing on the 517 area code relief plan for August 31, 2000 in West Branch. The Commission also provided an opportunity for interested persons to file written comments on or before September 1, 2000 and replies on or before September 11, 2000.

The comments at the hearing generally supported the proposed area code split and requested that the change occur as soon as possible. The seven written comments from customers requested certainty about when the change will occur and suggested that the Lansing LATA be given the new area code or that an overlay be used. In its written comments, the Telephone Association of Michigan (TAM) supported the proposed split and argued that Section 303(5) of the Act, MCL 484.2303(5); MSA 22.1469(303)(5), does not require that the new area code boundaries conform to county lines because it is not "technically and economically feasible" to split the area code in that manner. In its comments, Verizon Wireless stated that it believes an overlay is generally better than a split, but supports the proposed split if cellular customers have the option of retaining the 517 area code and there is a six-month permissive dialing period. In their comments, Verizon North Incorporated and Contel of the South, Inc., d/b/a Verizon North Systems, (collectively, Verizon) stated that they believe an overlay is preferable, but accept the consensus. They also agree with TAM that it is not technically and economically feasible to conform the split to county lines. They say that the required reconstruction would delay the split for two years.

The Commission concludes that the 517 area code relief plan offered by the industry should be approved. The plan is reasonable and in the public interest because the 517 area code (1) covers a large geographic area, (2) has not previously been subject to a geographic split, and (3) is com-

posed of two LATAs that provide a natural dividing line for the implementation of a geographic split without separating communities of interest. The Commission recognizes that not all customers will be satisfied with approval of the proposed plan, but any other option will dissatisfy as many or more customers. On balance, the Commission concludes that the proposed plan is preferable to the alternatives.<sup>2</sup> The Commission also finds, as TAM and Verizon argue, that it is neither technically nor economically feasible to split the area code along county lines. To conform to the county lines, providers along the boundary would have to reconstruct their networks and reconfigure their exchange boundaries. The required changes would likely be expensive and time-consuming, as well as disruptive to customers.

The Commission directs that the industry implement permissive dialing by January 1, 2001 and required dialing on July 1, 2001. This schedule provides more time to implement permissive dialing than would have been possible when NeuStar filed the industry plan with the FCC on June 15, 2000 and proposed that permissive dialing commence on August 19, 2000. The Commission has granted somewhat more time in light of the industry representations that much work remains to implement the area code split. However, it should be noted that the local exchange carriers that testified at the August 31, 2000 hearing indicated that implementation could physically occur by January 1, 2001.<sup>3</sup> The Commission has provided a six-month permissive dialing period for the convenience of customers and the absence of a reason to shorten the period. The

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<sup>2</sup> The proposed plan, which the Commission approves, provides for the “grandfathering” of existing wireless customers with Type IIA codes.

<sup>3</sup> Ameritech Michigan indicated that implementation could physically occur within 4-6 months. Four months from the date of the hearing is December 31, 2000.

industry should file monthly progress reports, beginning October 1, 2000, until the area code relief plan is fully implemented.

Finally, to facilitate implementation of the plan, the Commission directs the industry to file, within 30 days, a plan for customer education. The plan should include training for company personnel in dealing with customer inquiries related to the area code relief plan as well as examples of training materials that will be used to educate company personnel involved in customer relations. The plan should address such items as billing insert schedules, press kits, public service announcements, and other resources that will be used to respond to customer education needs and inquiries. The plan should also identify primary contacts within each company to address area code questions.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1991 PA 179, as amended, MCL 484.2101 et seq.; MSA 22.1469(101) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACSR 460.17101 et seq.
- b. The 517 area code relief plan filed by NeuStar on behalf of the telecommunications industry should be approved.
- c. Permissive dialing should commence by January 1, 2001, and required dialing should commence on July 1, 2001.
- d. The industry should file monthly progress reports until the area code relief plan is fully implemented.
- e. The industry should file, within 30 days, a plan for customer education.

THEREFORE, IT IS ORDERED that:

A. The 517 area code relief plan filed NeuStar, Inc., on behalf of the industry should be approved.

B. Permissive dialing shall commence by January 1, 2001, and required dialing shall commence on July 1, 2001.

C. Beginning October 1, 2000, the industry shall file monthly progress reports until the area code relief plan is fully implemented.

D. The industry shall file, within 30 days, a plan for customer education consistent with this order.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

( S E A L )

/s/ John G. Strand  
Chairman

By its action of September 15, 2000.

/s/ David A. Svanda  
Commissioner

/s/ Dorothy Wideman  
Its Executive Secretary

/s/ Robert B. Nelson  
Commissioner

THEREFORE, IT IS ORDERED that:

A. The 517 area code relief plan filed NeuStar, Inc., on behalf of the industry should be approved.

B. Permissive dialing shall commence by January 1, 2001, and required dialing shall commence on July 1, 2001.

C. Beginning October 1, 2000, the industry shall file monthly progress reports until the area code relief plan is fully implemented.

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Suggested Minute:

“Adopt and issue order dated September 15, 2000 approving the 517 area code relief plan filed by NeuStar, Inc., on behalf of the telecommunications industry and requiring that permissive dialing for the new area code commence by January 1, 2001, as set forth in the order.”