



Control Number: 38975



Item Number: 4

Addendum StartPage: 0

DOCKET NO. 38975

PETITION OF VERIZON	§	PUBLIC UTILITY COMMISSION
SOUTHWEST FOR WAIVER OF	§	
DENIAL OF NUMBERING	§	OF TEXAS
RESOURCES – FRISCO AND NORTH	§	
RICHLAND HILLS RATE CENTERS	§	

2010 DEC 14 11:33 AM
 PUBLIC UTILITY COMMISSION

ORDER NO. 2
 NOTICE OF APPROVAL OF REQUEST FOR WAIVER OF
 DENIAL OF NUMBERING RESOURCES

On December 14, 2010, Verizon Southwest requested that the Public Utility Commission of Texas (Commission) overturn the Pooling Administrator’s (PA) denial of its request for two (2) thousands-blocks in the Frisco and North Richland Hills rate centers to satisfy its business requirements. Verizon Southwest requested **expedited treatment** of its application.

The PA denied Verizon Southwest’s application because it did not meet the months-to-exhaust (MTE) and utilization criteria in 47 C.F.R. § 52.15. Ordinarily, the FCC’s rules require that a carrier maintain no more than a six-month inventory of numbers in a rate center¹ and utilize at least 75% of its inventory before seeking growth numbering resources.² However, § 52.15 of the Federal Communications Commission’s (FCC’s) rules provide that “[t]he state commission . . . may overturn the NANPA’s decision to withhold numbering resources from the carrier based on its determination that the carrier has demonstrated a verifiable need for numbering resources and has exhausted all other available remedies.”³ Moreover, the FCC’s *Third Report and Second Order on Reconsideration*⁴ established certain safety valves to allow carriers to obtain additional numbering resources when the PA denies a request for numbering resources. Specifically, the FCC adopted a safety valve to ensure that carriers can meet rapid growth in a rate center; the FCC also clarified that the states may grant waivers to allow carriers

¹ 47 C.F.R. § 52.15(g)(3)(B)(iii).

² 47 C.F.R. § 52.15(h).

³ 47 C.F.R. § 52.15(g)(4).

⁴ *Numbering Resource Optimization, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Telephone Number Portability*, CC Docket Nos. 99-200, 96-98, 95-1 16, Third Report and Order and Second Order on Reconsideration in CC Docket No. 96-98 and CC Docket No. 99-200, FCC 01-362, at para. 64 (rel. Dec. 28, 2001) (*NRO Order*).

to satisfy specific customer requests that the carrier cannot meet with its existing numbering resources; and in addition, the FCC allowed the states to consider requests from carriers with multiple switches in a given rate center to determine whether relief is warranted on a case-by-case basis.

The rapid growth safety valve appears to apply here. Regarding rapid growth, the FCC stated:

We establish a safety valve to ensure that carriers experiencing rapid growth in a given market will be able to meet customer demand. States may use this safety valve to grant requests from carriers that demonstrate the following: 1) the carrier will exhaust its numbering resources in a market or rate area within three months (in lieu of the 6 months-to-exhaust requirement); and 2) projected growth is based on the carrier's actual growth in the market or rate area, or on the carrier's actual growth in a reasonably comparable market, but only if that projected growth varies no more than 15 percent from historical growth in the relevant market.⁵

Verizon provided its MTE and utilization certification worksheets to support its request for a safety valve waiver based on rapid growth.

The worksheet for the Frisco rate center, shows: 3.6 months until exhaust; a growth history for the previous six months of -132, -9, 59, 101, 40, and 59 (for an average of 20); and an average monthly forecast of 56. The projected growth of 56 exceeds the historical growth of 20 by more than 15%. In addition, Verizon Southwest's projection shows over three months until exhaust. Furthermore, using the historical growth of 20 per month indicates that Verizon has 10.15 months until exhaust of the 203 available numbers in the Frisco rate center. Whether using historical growth or projected growth, Verizon Southwest's inventory in the Frisco rate center exceeds the three month maximum MTE required to qualify for the rapid growth safety valve.

The worksheet for the North Richland Hills rate center shows: 2.1 months until exhaust; a growth history for the previous six months of -27, 29, 91, 76, 5, and 119 (for an average of 48); and an average monthly forecast of 62. Although the projected growth of 62 exceeds the historical growth of 48 by more than 15%, Verizon Southwest nevertheless has less than three months until exhaust when using the actual historical growth to calculate the MTE. Using the

⁵ *NRO Order* at para. 63.

historical growth of 48 per month indicates that Verizon Southwest has 2.75 months until exhaust of the 132 available numbers in the North Richland Hills rate center, which falls within the three month maximum for the rapid growth safety valve.

On December 28, 2010, Commission Staff filed comments. Commission Staff recommended approval of Verizon Southwest's request for a waiver of the PA's denial for numbering resources in the Frisco and North Richland Hills rate centers. However, Staff premised its recommendation on a specific customer request rather than rapid growth (Verizon did not seek a waiver based on a specific customer's request).

Given the rapid growth in the North Richland Hills rate center, Verizon Southwest's request for one (1) thousands-block in the North Richland Hills rate center is **approved**. However, the growth in Verizon Southwest's Frisco rate center does not yet satisfy the rapid growth safety valve requirements. Accordingly, the request for a thousands-block in the Frisco rate center is **denied**. Verizon Southwest shall submit to the PA, a new Part 1A to apply for the relief granted.

SIGNED AT AUSTIN, TEXAS on the  day of December 2010.

PUBLIC UTILITY COMMISSION OF TEXAS



ANDREW KANG
ADMINISTRATIVE LAW JUDGE