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NEWS RELEASE

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PSC Cancels New Area Code in Western Kentucky

Split of area code 270 not needed at this time

FRANKFORT, Ky. (Dec. 13, 2010) – The Kentucky Public Service Commission (PSC) has vacated its decision to create a new area code in far western Kentucky because there is no longer any immediate need to increase the availability of new telephone numbers in the region.

If such a need arises in the future, the process of establishing a new area code will start again from scratch, the PSC said in an order issued today,

The implementation of the new area code, designated as 364, has been delayed five times as the need for new numbers has dwindled, both because of declining demand and due to changes in the process by which new numbers are assigned.

The latest projections show no need for a new area code until late 2014. Because that is beyond the time frame needed to implement new area codes, a cancellation makes more sense than another postponement, PSC Chairman David Armstrong said.

“Today’s decision ends the ongoing uncertainty over when a split of area code 270 would occur,” Armstrong said. “Restarting the process when needed is going to be far less disruptive to residents and businesses.”

The PSC began the process of creating a new area code in western Kentucky in 2006, when the North American Numbering Plan Administrator (NANPA), which oversees the distribution of phone numbers, projected area code 270 would run out of numbers by late 2008.

After holding a series of meetings to receive public comments, the PSC decided to split area code 270, with the eastern portion retaining the current area code. Cities designated to remain in area code 270 included Bowling Green, Columbia, Glasgow, Elizabethtown and Owensboro. Area code 364 was to cover the western portion of the current area code 270, including the cities of Henderson, Hopkinsville, Madisonville, Murray and Paducah.

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However, on May 31, 2007 – a few hours after the PSC ordered the split – the Federal Communications Commission (FCC) granted the PSC’s long-standing request for a change in the way in which telephone numbers in area code 270 are allocated to telecommunication providers by NANPA. The FCC decision allowed the PSC to require a procedure known as “number pooling,” which was intended to free up thousands of unused telephone numbers.

Once number pooling was implemented, the availability of phone numbers in area code 270 increased significantly. It now stands at about two million.

At the same time that number pooling took effect, a weakened economy and a reduced usage of telephone numbers dedicated for use by computer and fax modems slowed the demand for new numbers.

Those factors led to a series of postponements of the implementation of the split of area code 270 and the use of area code 364. In August 2010 the PSC suspended implementation of the split pending the next NANPA update in October 2010.

It is that update which led to today’s order vacating the decision to split area code 270.

Area code 270 was established in 1999. Prior to number pooling, most numbers in area code 270 were assigned to telecommunication providers in blocks of 10,000 known as NXX codes. Under number pooling, numbers now are assigned to telecommunication providers in blocks of 1,000, known as NXX-X blocks. Because a company may not need to use all of the numbers in a code or block, the use of the smaller groupings reduces the quantity of numbers that are assigned but unused.

The number pooling directive required companies to relinquish any available 1,000-number blocks. Hundreds of 1,000-number blocks have since been returned to the pool of available numbers.

Under NANPA procedures, the number 364 will be returned to the pool of available new area code designations, but Kentucky will have priority for its future use.

In today’s order, the PSC said all options will be examined if a new area code is needed in the future.

Those options would be either to again split area code 270, though not necessarily along the same line, or to use an “overlay” that would create a second area code in the same territory now designated as area code 270.

A split would require about half of the telephone customers in area code 270 to switch to a new area code. It would maintain seven-digit dialing for local calls.

An overlay would allow all customers to retain their current number in area code 270. It requires 10-digit dialing for local calls.

Armstrong said that today’s decision will allow the PSC to take a fresh look at the issues related to creating a new area code.

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“With the rapid pace of change in telecommunications, customer usage patterns and preferences may well be different whenever this issue comes before the PSC again,” he said. “The PSC will be able to take those differences into account in reaching a new decision.”

Documents in the area code 270 case can be found on the PSC website, psc.ky.gov. The case number is 2006-00357.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 100 employees.

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TIMELINE IN THE AREA CODE 270 CASE

June 2001	PSC petitions FCC for mandatory number pooling in area code 270.
July 2001	NANPA first suggests need for new area code in 270 territory
July 2006	NANPA update triggers PSC case for creation of new area code
May 2007	PSC decides to split area code 270 by creating area code 364 start date is set for April 2008
May 2007	FCC authorizes mandatory number pooling in area code 270
June 2007	PSC postpones split until July 2008 to assess impact of number pooling
Nov. 2007	PSC postpones split until January 2009
May 2008	PSC postpones split until April 2010
June 2009	PSC postpones split until January 2012
April 2010	NANPA says area code 270 no longer in jeopardy of number exhaustion
Aug. 2010	PSC suspends implementation of split and use of area code 364
Oct. 2010	NANPA update shows no need for new area code until late 2014
Dec. 2010	PSC rescinds decision to split area code 270