

October 2016 5XX NPA Exhaust Analysis

Introduction

NANPA projects the exhaust of the 5XX NPA resource based upon the utilization and forecast data submitted by service providers via the NRUF process. The 5XX NPAs currently in service are 500, 522, 533, 544, 566, 577 and 588.

October 2016 5XX Exhaust Projection Assumptions

The following is a list of assumptions used in the development of the October 2016 5XX NPA exhaust projection prepared by NANPA.

1. The 5XX NPA exhaust study uses as its basis the NXX code forecasts submitted via the NRUF reporting process and historical NXX code assignment information. The five year total forecasted demand is used to calculate the number of 5XX NPAs that will be needed over the next five years. This demand is also used to forecast when the current quantity of assigned and reserved 5XX NPAs will exhaust.¹
2. A new NPA will be required when the number of assigned and unassignable NXX codes reaches 800.
3. It is assumed that each new NPA will require the same number of unassignable codes as the current NPA.

Results based on Assumptions

Using the August 2016 NRUF data, the aggregated forecasted demand for 5XX-NXXs for 2016 through 2020 remains fairly constant at approximately 1,100 to 1,300 NXXs. This demand rate was compared to actual assignment data from 2008 through 2016.

Year	Annual Gross 5XX NXX Code Demand	Annual Net 5XX NXX Code Demand
2008	152	-62
2009	260	237
2010	717	717
2011	757	707
2012	365	357
2013	341	330
2014	639	570
2015	658	630
2016 (thru Sep16)	642	627

This comparison reveals the yearly forecasted demand starting in 2016 (1,200 NXXs) is nearly twice the actual demand in 2014 and 2015. However, for 2016, current trends indicate an assignment rate of approximately 900 codes.

¹ The 5XX NPAs reserved for future expansion include the following: (521, 523, 524, 525, 526, 527, 528, 529, 532, 538, 542, 543, 545, 547, 549, 552, 553, 554, 556, 569, 578, 589, 550, 535, 546 and 558).

To project the exhaust of the currently-assigned 5XX NPAs, an average annual demand of 900 5XX-NXX codes was used. This quantity is slightly higher than the actual demand in 2014 and 2015 but accounts for an increase in demand over the next five years. Using this demand rate, the projected 5XX exhaust date of the seven assigned 5XX NPAs is 2017. Further, it is expected that six new 5XX NPAs will be needed over the next five years.

In projecting the exhaust of the assigned and reserved 5XX NPAs (7 assigned 5XX NPAs and 26 reserved 5XX NPAs), an annual demand rate of 900 5XX-NXXs was used, resulting in the projected exhaust in 23 years. For comparison purposes, NANPA performed a sensitivity analysis using an average annual demand of 1,200 NXX codes, which represented a 33% increase in the base model demand. Using this annual demand, the projected exhaust of the 5XX resource is approximately 17 years.