

SUPPORTING STATEMENT

This collection is being submitted to extend an existing collection.

A. Justification

1. In a Memorandum Opinion and Order FCC 97-258 (“Order”), the Commission, pursuant to the provisions of the Communications Act of 1934, as amended (“the Act”), requests that independent telephone companies (“ITCs”) and Bell Operating Companies (“BOCs”) provide certain information to the Commission regarding ITC requests for changes in local access and transport area (“LATA”) association and modification of LATA boundaries to permit the change in association. See Section 3(25) (B) of the Act.

All BOC territory in the continental United States is divided into geographic areas called LATAs. Section 271 of the Act prohibits a BOC from providing “interLATA services originating in any of its ‘in-region’ States” until the BOC takes certain steps to open its own market to competition and the Commission approves the BOC’s application to provide such service. Moreover, Section 10(d) prohibits the Commission from forbearing from applying the requirements of Section 271.

LATAs do not cover territory served by ITCs. However, in order to permit the continuation of joint operating arrangements between ITCs and neighboring BOC facilities, the United States District Court for the District of Columbia (“Court”) classified most independent exchanges as ‘associated’ with a particular BOC LATA. Traffic between a LATA and an associated exchange was treated as intraLATA, and could be carried by the BOC, while traffic between a LATA and an unassociated exchange was treated as interLATA and could not be carried by the BOC.

While the Act does not specifically address LATA associations, section 4(i) provides that the Commission may ‘perform any and all Acts... and issue such orders, not inconsistent with this Act, as may be necessary in the execution of its functions.’ The change in LATA association, and connected modification of the LATA boundary, will avoid unnecessary limitations on the ITC’s ability to upgrade its network while not significantly affecting competition.

The Commission has provided voluntary guidelines to assist ITCs in filing petitions for changes in LATA association and connected modification of LATA boundaries. The guidelines ask that each LATA association change request include the following information; (1) type of request; (2) exchange information; (3) number of access lines or customers; (4) public interest statement; (5) a map showing exchanges and LATA boundaries involved; (6) a list of extended local calling service (“ELCS”) routes

between the independent exchange and the LATA with which it is currently associated; and (7) a BOC supplement requesting a modification of the LATA boundary.

A carrier will be deemed to have made a prima facie case supporting grant of the proposed change in association of the petition; (1) states that the association change is necessary because of planned upgrades to the ITC's network or service that will require routing traffic through a different BOC LATA; (2) involves a limited number of access lines; and (3) includes a statement from the affected BOC(s) requesting a LATA modification. The guidelines will assist the ITCs in filing LATA association petitions and the Commission in determining whether a change in LATA association should be granted.

As noted on the OMB Form 83i, this information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

Note: This submission is being made pursuant to authority contained in sections: 47 U.S.C. §§ 153 and 271.

2. The requested information is used by the Commission to determine whether the need for the proposed changes in LATA association outweighs the risk of potential anticompetitive effects, and thus whether requests for changes in LATA association and connected modifications of LATA boundaries should be granted.

3. Generally, there is no improved technology identified by the Commission to reduce the burden of this collection. However, the Commission does not prohibit the use of improved technology where appropriate.

4. There will be no duplication of information filed. The information sought is unique to each request made by each ITC.

5. The information collection has been carefully designed to collect only the information needed by the Commission to process the application and is least burdensome for all respondents regardless of size. Moreover, the Commission generally does not consider telephone companies to be small businesses because they are dominant in their field.

6. Without the boundary guidelines it will be more difficult for ITCs to file requests for changes in LATA association and for the Commission to process such requests. Furthermore, it will be difficult to assess the public interest in the proposed LATA association change.

7. There are no special circumstances.

8. A 60 day notice was published in the Federal Register pursuant to 5 C.F.R. Section 1320.8 (d). See 71 Fed. Reg. 52792 (September 7, 2006). No comments were received. A copy of this notice is attached to this submission.

9. The Commission does not anticipate providing any payment or gift to respondents.

10. The Commission is not requesting respondents to submit confidential information. The information submitted to the Commission is available for public inspection: no assurance of confidentiality has been given regarding that information.

11. There are no questions of a sensitive nature with respect to the information being collected.

12. The Commission estimates the hour burden for the proposed collection of information as follows:

LATA association requests:

(1) Number of respondents: 20.

(2) Frequency of response: On occasion reporting requirement. The Commission estimates that 20 respondents may file one request on occasion every year.

(3) Annual hour burden per respondent: Six hours per respondent per request. Six hours per respondent per year (20 respondents x 6 hours = 120 hours). Total Annual Hour Burden: **120 hours.**

(4) How burden was estimated: To generate the annual hour burden estimate above it was assumed that of the 1300 ITCs only 20 respondents would file with the Commission a LATA association change request each year and that each request would require six hours to be completed. The estimate of the number of requests to be filed is based on estimates of previous filings with the Court as well as filings, and inquires about proposed future filings, received by the Commission since passage of the Telecommunications Act of 1996. The estimate of the time to develop a report is based on the assumption that most of the information requested is readily available and the ITC would only need to compile the information. The estimate of six hours is based on the expectation that it would take approximately four hours to draft the request and obtain any additional information and two hours for legal review and internal processing.

(5) Estimates of annualized cost to respondents for the hour burden of collection of information: Assuming the ITCs use personnel comparable in pay to a GS-13, Step 5 Federal employee and including 30% overhead costs, the estimated hourly rate is \$42.00. The cost estimate is as follows: $20 \times 6 \text{ hours} \times \$42.00 = \$5,040$.

13. We estimate that there will be no capital or start-up costs resulting from this collection of information. We do not believe that this information collection will necessitate any additional equipment. We estimate that there will be no operation and maintenance and purchase of services costs for this information collection.

14. There will be few if any costs to the Commission because the information collection will be provided in a standardized format to allow for efficient processing. The Commission estimated that the processing of each request will require a Federal employee at level GS-13, Step 5, including 30% overhead, costing \$42.00 per hour for two hours processing calculated as follows: $(\$42.00/\text{hour} \times 2) \times (2) = \168 .

15. No change in burden is requested. Public annual burden for the collection of information continues to be estimated at 120 burden hours.

16. The Commission does not anticipate publishing any of the information as a result of this Order.

17. The Commission does not intend not to display the expiration date of OMB approval of the information collection.

18. Not applicable. No exceptions are noted.

B. Collections of Information Employing Statistical Methods:

Not Applicable.