

## SUPPORTING STATEMENT

This collection is being submitted to extend an existing collection.

### **A. Justification:**

1. In a Memorandum Opinion and Order, FCC 97-244 (“Order”), the Commission, pursuant to the provisions of the Communications Act of 1934, as amended (“the Act”), requests that Bell Operating Companies (“BOC”) provide certain information to the Commission regarding BOC requests for limited modification of local access and transport area (“LATA”) boundaries to provide extended local calling service (“ELCS”). See Section 3(25)(B) of the Act.

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. However, Section 3(25) of the Act provides that a BOC may modify LATA boundaries, if such modifications are approved by the Commission. Thus, for a BOC to provide service on a new ELCS route that crosses existing LATA boundaries, the Act requires that the BOC either modify the LATA so that the route no longer crosses a LATA boundary or satisfy the requirements of Section 271.

The Commission has found that LATA modification for the ‘limited purpose’ of authorizing a BOC to provide flat-rate, non-optional local calling service between specific exchanges will meet community needs for traditional local telephone service while reducing the potential anticompetitive effects of general LATA modifications.

The guidelines ask that each ELCS request include the following information: (1) type of proposed service; (2) direction of proposed service; (3) telephone exchanges involved; (4) names of affected carriers; (5) state commission approval; (6) number of access lines or customers; (7) usage data; (8) poll results, if any; (9) community of interest statement; (10) a map showing exchanges and LATA boundary involved; and (11) any other pertinent information.

A carrier will be deemed to have made a *prima facie* case supporting grant of the proposed modification if the petition (1) has been approved by the state commission; (2) proposes only traditional local service (i.e., flat-rate, non-optional ELCS); (3) indicates that the state commission found a sufficient community interest to warrant such service; (4) documents this community of interest through such evidence as poll results, usage data, and descriptions of the communities involved; and (5) involves a limited number of customers or access lines. The guideline will enable the Commission to ensure that BOCs are in compliance with the Act and Commission policies and rules regarding BOC provision of interLATA services.

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.

Statutory authority for this collection of information is 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 ELCS routes outweighs the risk of potential anticompetitive effects, and thus whether requests for limited 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 BOC.

5. The collection of information will affect only large entities.

6. Without the voluntary guidelines it will be more difficult for the BOCs to file ELCS requests and for the Commission to process such requests. In addition, it may be difficult for the Commission to ensure that BOCs fulfill their obligations under the Act and Commission policies and rules regarding BOC provision of InterLATA services. Furthermore, it would be difficult to assess communities' needs for proposed ELCS routes.

7. There are no special circumstances.

8. A notice was published in the Federal Register pursuant to 5 CFR 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 the information.

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

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

**ELCS requests:**

(1) Number of respondents: 20.

(2) Frequency of Response: On occasion reporting requirement. The Commission estimates that each respondent may file five requests each year and thus may need to comply with the guidelines five times annually.

(3) Annual hour burden per respondent: Eight hours per respondent per request (8 hours per respondent x 5 filings per year = 40 hours per year). Total Annual Hour Burden: 20 respondents x 8 hours per response x 5 filings = **800 hours**.

(4) How burden was estimated: To generate the annual hour burden estimated above it was assumed that each BOC would file with the Commission five ELCS requests annually and that each request would require eight hours to be completed. The estimate of the number of requests to be filed is based on estimates of previous ELCS filings with the Court as well ELCS filings, and inquiries 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 or will already have been developed by the state public utilities commissions and the BOC would only need to compile the information. The estimate of eight hours is based on the expectation that it would take approximately five hours to draft the request and obtain any additional information and three hours for legal review and internal processing.

(5) Estimated of annualized cost to respondents for the hour burden for collection of information: Assuming the BOCs 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 x 40 hours x \$42.00 = \$33,600.

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 the information collection.

14. There will be few if any cost to the Commission because the information collection will be provided in a standardized format to allow for efficient processing. The Commission estimates 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:  $(\$42.00/\text{hour} \times 2) \times (5 \times 20) = \$8,400$ .

15. No change in burden is requested.

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 for OMB approval of the information collection.

18. Not applicable. No exceptions are noted.

## **B. Collections of Information Employing Statistical Methods:**

Not Applicable.

