

**Rules and Regulations Implementing Minimum Customer Account Record Obligations on All Local and Interexchange Carriers (CARE) Order On Reconsideration, CG Docket No. 02-386**

**SUPPORTING STATEMENT**

**A. Justification**

1. On September 13, 2006 Commission released an *Order on Reconsideration* in Rules and Regulations Implementing Minimum Customer Account Record Exchange Obligations on All Local and Interexchange Carriers, CG Docket No. 02-386, FCC 06-134 (“*Order on Reconsideration*”). The Commission concluded that minor modifications to § 64.4002 were needed to clarify carriers’ respective obligations under that rule section. **(These minor modifications revised/amended this information collection and as a result need OMB review and approval).**

On February 25, 2005, the Commission released a *Report and Order* (“*2005 Report and Order*”) and *Further Notice of Proposed Rulemaking* (“*2005 Further Notice*”) in Rules and Regulations Implementing Minimum Customer Account Record Exchange Obligations on All Local and Interexchange Carriers, CG Docket No. 02-386, FCC 05-29. 2002.<sup>1</sup> In the *2005 Report and Order*:

- (a) The Commission adopted final rules governing the exchange of customer account information between LECs and IXCs.
- (b) The Commission concluded that mandatory, minimum standards are needed in light of record evidence demonstrating that information needed by carriers to execute customer requests and properly bill customers is not being consistently provided by all LECs and by all IXCs.

***Rules Delineating Currently Approved Information Collection Requirements:***

The following lists the rules and requirements adopted in the *2005 Report and Order* for which the Commission has already received OMB approval:

**§ 64.4002 Notification obligations of LECs:**

(a) Customer-submitted preferred interexchange carrier (“PIC”) order. Upon receiving and processing a PIC selection submitted by a customer and placing the customer on the network of the customer’s preferred IXC at the LEC’s local switch, the LEC must notify the IXC of this event. The notification provided by the LEC to the IXC must contain all of the customer account information necessary to allow for proper billing of the customer by the IXC including but not limited to:

- (1) The customer’s billing telephone number, working telephone number, and billing name and address;
- (2) The effective date of the PIC change;

<sup>1</sup> Throughout this information collection requirement submission, the Commission will be referring to incumbent local exchange carriers (ILECs), competitive local exchange carriers (CLECS) as local exchange carriers (LECs), and (IXCs) as interexchange carriers.

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- (3) A statement describing the customer type (*i.e.*, business or residential);
- (4) A statement indicating, to the extent appropriate, that the customer's telephone service listing is not printed in a directory and is not available from directory assistance or is not printed in a directory but is available from directory assistance;
- (5) The jurisdictional scope of the PIC installation (*i.e.*, intraLATA and/or interLATA and/or international);
- (6) The carrier identification code of the submitting LEC; and
- (7) If relevant, a statement indicating that the customer's account is subject to a PIC freeze.

The notification also must contain information, if relevant and to the extent that it is available, reflecting the fact that a customer's PIC selection was the result of:

- (i) A move (an end user customer has moved from one location to another within a LEC's service territory);
  - (ii) A change in responsible billing party; or
  - (iii) The resolution of a PIC dispute.
- (b) Confirmation of IXC-submitted PIC order. When a LEC has placed a customer on an IXC's network at the local switch in response to an IXC-submitted PIC order, the LEC must send a confirmation to the submitting IXC. The confirmation provided by the LEC to the IXC must include:
- (1) The customer's billing telephone number, working telephone number, and billing name and address;
  - (2) The effective date of the PIC change;
  - (3) A statement describing the customer type (*i.e.*, business or residential);
  - (4) A statement indicating, to the extent appropriate, if the customer's telephone service listing is not printed in a directory and is not available from directory assistance, or is not printed in a directory but is available from directory assistance;
  - (5) The jurisdictional scope of the PIC installation (*i.e.*, intraLATA and/or interLATA and/or international); and
  - (6) The carrier identification code of the submitting LEC. If the PIC order at issue originally was submitted by an underlying IXC on behalf of a toll reseller, the confirmation provided by the LEC to the IXC must indicate, to the extent that this information is known, a statement indicating that the customer's PIC is a toll reseller.

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- (c) Rejection of IXC-submitted PIC order. When a LEC rejects or otherwise does not act upon a PIC order submitted to it by an IXC, the LEC must notify the IXC and provide the reason(s) why the PIC order could not be processed. The notification provided by the LEC to the IXC must state that it has rejected the IXC-submitted PIC order and specify the reason(s) for the rejection (*e.g.*, due to a lack of information, incorrect information, or a PIC freeze on the customer's account). The notification must contain the identical data elements that were provided to the LEC in the original IXC-submitted PIC order (*i.e.*, mirror image of the original order), unless otherwise specified by this subsection. If a LEC rejects an IXC-submitted PIC order for a multi-line account (*i.e.*, the customer has selected the IXC as his PIC for two or more lines or terminals associated with his billing telephone number), the notification provided by the LEC rejecting that order must explain the effect of the rejection with respect to each line (working telephone number or terminal) associated with the customer's billing telephone number. In addition, the notification must indicate the jurisdictional scope of the PIC order rejection (*i.e.*, intraLATA and/or interLATA and/or international). If a LEC rejects a PIC order because:
- (1) The customer's telephone number has been ported to another LEC; or
  - (2) The customer has otherwise changed local service providers,
  - (3) The LEC must include in its notification, to the extent that it is available, the identity of the customer's new LEC.
- (d) Customer contacts LEC or new IXC to cancel PIC. When a LEC has removed at its local switch a presubscribed customer from an IXC's network, either in response to a customer order or upon receipt of a properly verified PIC order submitted by another IXC, the LEC must notify the customer's former IXC of this event. The LEC must provide to the IXC the customer account information that is necessary to allow for proper final billing of the customer by the IXC including but not limited to:
- (1) The customer's billing telephone number, working telephone number, and, billing name and address;
  - (2) The effective date of the PIC change;
  - (3) A description of the customer type (*i.e.*, business or residential);
  - (4) The jurisdictional scope of the lines or terminals affected (*i.e.*, intraLATA and/or interLATA and/or international); and
  - (5) The carrier identification code of the submitting LEC. If a customer changes PICs but retains the same LEC, the LEC is responsible for notifying both the old PIC and new PIC of the PIC change. The notification also must contain information, if relevant and to the extent that it is available, reflecting the fact that a customer's PIC removal was the result of:
    - (i) The customer moving from one location to another within the LEC's service territory, but where there is no change in local service provider;

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- (ii) A change of responsible party on an account; or
  - (iii) A disputed PIC selection.
- (e) Particular changes to customer's local service account. When, according to a LEC's records, certain account or line information changes occur on a presubscribed customer's account, the LEC must communicate this information to the customer's PIC. For purposes of this subsection, the LEC must provide to the appropriate IXC account change information that is necessary for the IXC to issue timely and accurate bills to its customers including but not limited to:
- (1) The customer's billing telephone number, working telephone number, and billing name and address;
  - (2) The customer code assigned to that customer by the LEC;
  - (3) The type of customer account (*i.e.*, business or residential);
  - (4) The status of the customer's telephone service listing, to the extent appropriate, as not printed in a directory and not available from directory assistance, or not printed in a directory but available from directory assistance; and
  - (5) The jurisdictional scope of the PIC installation (*i.e.*, intraLATA and/or interLATA and/or international). If there are changes to the customer's billing or working telephone number, customer code, or customer type, the LEC must supply both the old and new information for each of these categories.
- (f) Local service disconnection. Upon receipt of an end user customer's request to terminate his entire local service account or disconnect one or more lines (but not all lines) of a multi-line account, the LEC must notify the PIC(s) for the billing telephone number or working telephone number on the account of the account termination or lines disconnected. In conjunction with this notification requirement, the LEC must provide to a customer's PIC(s) all account termination or single/multi-line disconnection change information necessary for the PIC(s) to maintain accurate billing and PIC records, including but not limited to:
- (1) The effective date of the termination/disconnection; and
  - (2) The customer's working and billing telephone numbers and billing name and address;
  - (3) The type of customer account (*i.e.*, business or residential);
  - (4) The jurisdictional scope of the PIC installation (*i.e.*, intraLATA and/or interLATA and/or international); and
  - (5) The carrier identification code of the LEC.
- (g) Change of local service provider. When a customer changes LECs, the customer's former LEC must notify the customer's PIC(s) of the customer's change in LECs and, if known, the identity of

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the customer's new LEC. If the customer also makes a PIC change, the customer's former LEC must notify the customer's former PIC(s) of the change and the new LEC must notify the customer's new PIC of the customer's PIC selection. If the customer's LEC is unable to identify the customer's new LEC, the former LEC must notify the customer's PIC of a local service disconnection as described in subsection (f). The notification also must contain information, if relevant and to the extent that it is available, reflecting the fact that an account change was the result of:

- (1) The customer porting his number to a new LEC;
  - (2) A local resale arrangement (customer has transferred to local reseller); or
  - (3) The discontinuation of a local resale arrangement.
- (h) IXC requests for customer billing name and address ("BNA") information. Upon the request of an IXC, a LEC must provide the billing name and address information necessary to facilitate a customer's receipt of a timely, accurate bill for services rendered and/or to prevent fraud, regardless of the type of service the end user receives/has received from the requesting carrier (*i.e.*, presubscribed, dial-around, casual). In response to an IXC's BNA request for automatic number identification ("ANI"), a LEC must provide the BNA for the submitted ANI along with:
- (1) The working telephone number for the ANI;
  - (2) The date of the BNA response;
  - (3) The carrier identification code of the submitting IXC; and
  - (4) A statement indicating, to the extent appropriate, if the customer's telephone service listing is not printed in a directory and is not available from directory assistance, or is not printed in a directory but is available from directory assistance. A LEC that is unable to provide the BNA requested must provide the submitting carrier with the identical information contained in the original BNA request (*i.e.*, the mirror image of the original request), along with the specific reason(s) why the requested information could not be provided. If the BNA is not available because the customer has changed local service providers or ported his telephone number, the LEC must include the identity of the new provider when this information is available.

**§ 64.4003 Notification obligations of IXCs:**

- (a) IXC-submitted PIC order. When a customer contacts an IXC to establish interexchange service on a presubscribed basis, the IXC selected must submit the customer's properly verified PIC order (See 47 C.F.R. § 64.1120 (a)) to the customer's LEC, instructing the LEC to install or change the PIC for the customer's line(s) to that IXC. The notification provided by the IXC to the LEC must contain all of the information necessary to properly execute the order including but not limited to:
- (1) The customer's billing telephone number or working telephone number associated with the lines or terminals that are to be presubscribed to the IXC;

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- (2) The date of the IXC-submitted PIC order;
  - (3) The jurisdictional scope of the PIC order (*i.e.*, intraLATA and/or interLATA and/or international); and
  - (4) The carrier identification code of the submitting IXC.
- (b) Customer contacts IXC to cancel PIC and to select no-PIC status. When an end user customer contacts an IXC to discontinue interexchange service on a presubscribed basis, the IXC must confirm that it is the customer's desire to have no PIC and, if that is the case, the IXC must notify the customer's LEC. The IXC also is encouraged to instruct the customer to notify his LEC. An IXC may satisfy the requirement to notify the LEC by establishing a three-way call with the customer and the customer's LEC to confirm that it is the customer's desire to have no PIC and, where appropriate, to provide the customer the opportunity to withdraw any PIC freeze that may be in place. The notification provided by the IXC to the LEC must contain the customer account information necessary to properly execute the cancellation order including but not limited to:
- (1) The customer's billing telephone number or working telephone number associated with the lines or terminals that are affected;
  - (2) The date of the IXC-submitted PIC removal order;
  - (3) The jurisdictional scope of the PIC removal order (*i.e.*, intraLATA and/or interLATA and/or international); and
  - (4) The carrier identification code of the submitting IXC.

***Rules Delineating the Information Collection Requirements as Amended by the Order on Reconsideration:***

The following lists the rules and requirements adopted in the *Report and Order as Modified by the Order on Reconsideration (OMB approval is needed for these modifications/revisions to Section 64.4002)*:

**§ 64.4002 Notification obligations of LECs:**

- (d) Customer contacts LEC or new IXC to change PIC(s) or customer contacts LEC or current IXC to change PIC to No-PIC. When a LEC has removed at its local switch a presubscribed customer from an IXC's network in response to a customer order, upon receipt of a properly verified PIC order submitted by another IXC, or in response to a notification from the customer's current IXC relating to the customer's request to change his or her PIC to No-PIC, the LEC must notify the customer's former IXC of this event. The LEC must provide to the IXC the customer account information that is necessary to allow for proper final billing of the customer by the IXC including but not limited to:
- (5) The carrier identification code of the submitting IXC.
- (e) Particular changes to customer's local service account. When, according to a LEC's records, certain account or line information changes occur on a presubscribed customer's account, the LEC

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must communicate this information to the customer's PIC. For purposes of this subsection, the LEC must provide to the appropriate IXC account change information that is necessary for the IXC to issue timely and accurate bills to its customers including but not limited to:

- (6) The effective date of any change to a customer's local service account; and;
  - (7) The carrier identification code of the IXC. If there are changes to the customer's billing or working telephone numbers.
- (g) Change of local service provider. When a customer changes LECs, the customer's former LEC must notify the customer's PIC(s) of the customer's change in LEC and, if known, the identity of the customer's new LEC. If the customer also makes a PIC change, the customer's former LEC must also notify the customer's former PIC(s) of the change. When a customer only changes LECs, the new LEC must notify the customer's current PIC(s) that the customer's PIC selection has not changed. If the customer also makes a PIC change, the new LEC must notify the customer's new PIC of the customer's PIC selection. If the customer's former LEC is unable to identify the customer's new LEC, the former LEC must notify the customer's PIC(s) of a local service disconnection as described in subsection (f).
- (1) The notification also must contain information, if relevant and to the extent that it is available, reflecting the fact that an account change was the result of:
    - (i) The customer porting his number to a new LEC;
    - (ii) A local resale arrangement (customer has transferred to local reseller); or
    - (iii) The discontinuation of a local resale arrangement
  - (2) The notification provided by the LEC to the IXC must include:
    - (i) The customer's billing telephone number, working telephone number, and, billing name and address;
    - (ii) The effective date of the change of local service providers or PIC change;
    - (iii) A description of the customer type (*i.e.*, business or residential);
    - (iv) The jurisdictional scope of the lines or terminals affected (*i.e.*, intraLATA and/or interLATA and/or international); and
    - (v) The carrier identification code of the IXC.

As noted on the OMB Form 83-I, this information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act because it does not require the collection of personally identifiable information (PII) from individuals. The statutory authority for these information requirements are found in sections 1-4, 201, 202, 222, 258, and 303(r) of the Communications Act of 1934, as amended; 47 U.S.C. §§ 151-154, 201, 202, 222, 258, and 303(r).

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

2. The Information Collection Requirements:

- (a) Are intended to facilitate the timely and accurate establishment, termination, and billing of customer telephone service accounts, and
- (b) Will apply to local exchange carriers and interexchange carriers.

The information generated by LECs pursuant to the information collections will be used by IXCs:

- (a) to determine when a customer has been placed on or removed from IXCs' networks,
- (b) to enable IXCs to accurately calculate customer telephone service bills,
- (c) to identify the correct billing name and address of a telephone service customer; and
- (d) to inform IXCs of critical changes to their customers' telephone service accounts.

The information generated by IXCs pursuant to the information collections will be used by LECs:

- (a) To notify the LEC to install a telephone service customer onto or remove a telephone service customer from the network of a particular IXC; and
- (b) To notify the LEC that a customer no longer wishes to receive long distance services on a presubscribed basis.

3. Customer account records required by these information collection requirements may be transmitted electronically or by any other medium that a carrier may choose to use.

As we previously stated in the *2005 Report and Order*, the Commission explained that, to the extent that carriers currently are providing timely and adequate notifications to other carriers pursuant to inter-carrier agreements or other information exchange processes (including non-electronic processes), those carriers would not be required to incur additional expenses associated with modifying their current processes.

4. The information collection requirements are not duplicative of any currently existing federal regulatory obligation.

5. The Commission undertook to minimize the burden of the new rules on small businesses and small entities:

- (a) The *Order on Reconsideration* does not make any changes to the sections of the *2005 Report and Order* which afforded carriers flexibility in both the format and medium of information exchanges



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and, thus, does not require carriers to use CARE or other automated methods, unless they so choose.

- (b) In addition, the *Order on Reconsideration* does not make any changes to the sections of the *2005 Report and Order* which rejected suggestions to impose specific time limits or performance measurements on the exchange of customer account information.

These determinations appear to be consistent with the views expressed by a number of small and rural carriers in the Commission's rulemaking proceeding.

6. If the information collections required by the *Order on Reconsideration* are not implemented, certain obligations of carriers regarding the exchange of customer information will remain unclear. The Commission received one comment from the Texas Office of Public Utility Counsel, which supported the proposed changes.
7. The information collections will not require respondents to report information to the agency, but may require respondents to report basic customer account information to other carriers more often than quarterly:
  - (a) The frequency of the notification requirements depends upon how frequently each carrier's customers change carriers or make other account changes.
  - (b) Carriers will be required only to exchange basic account information that is reasonably available to them:
    - (i) The *Order on Reconsideration* does not modify the instructions in the *2005 Report and Order* that instructed carriers to provide the required notifications promptly and without unreasonable delay but does not impose a specific timeframe within which the notifications must take place.
    - (ii) The *Order on Reconsideration* does not modify the *2005 Report and Order* which stated that Carriers will not be required to retain records for more than three years.
8. The Commission published a notice in the *Federal Register* pursuant to 5 CFR § 1320.8(d) on November 8, 2006. See 71 FR 65514. The Commission received no comments.
9. The Commission does not anticipate providing any payment or gift to any of the respondents.
10. As noted on the OMB Form 83-I, this information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act:
  - (a) The information that carriers will be required to disclose under the requirements of the *Order on Reconsideration* includes basic customer account information that carriers need to accurately bill customers and to execute carrier changes and other requests.
  - (b) In the *Order on Reconsideration*, the Commission ruled that carriers that receive customer account information under the new rules may use that information for billing and provisioning purposes only and may not use it for marketing purposes, unless they obtain customer approval to do so.

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- 11.* Respondents will not be required to provide information that is of a sensitive nature.

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**12. Existing Information Collection Requirements (2005 Report and Order and Further Notice of Proposed Rulemaking (FNPRM) approved by OMB on August 30, 2005)**

In 2005 the Commission estimated the burden on LECs and IXC to be:

**LECs:**

- (a) There are approximately 1,873 LECs operating in the United States.
- (b) Approximately 1,497 of these LECs will be affected by the information collection reporting requirements contained in 47 C.F.R. § 64.4002(a)-(h), as adopted in the *2005 Report and Order*.
- (c) The Commission did not include estimates for the largest 376 of the total 1,873 based on its understanding that:
  - (i) Those LECs already conduct their operations as required by the *2005 Report and Order*, and therefore,
  - (ii) Those LECs will not be subject to any new information collection reporting requirements.
- (d) Accordingly, potential LEC respondents newly subject to the notification requirements contained in 47 C.F.R. § 64.4002(a)-(h), as adopted in the *2005 Report and Order*, will include approximately **1,497 LECs (respondents)**.

**IXCs:**

- (a) Similarly, the Commission estimates that there are approximately 281 IXCs operating in the United States.
- (b) Approximately 254 of these IXCs will be affected by the information collection reporting requirements contained in 47 C.F.R. § 64.4003(a).
- (c) The Commission did not include estimates for the largest 27 of the total 281 IXCs based on the Commission's understanding that:
  - (i) Those IXCs already conduct their operations as required by the *2005 Report and Order*, and therefore,
  - (ii) Those IXCs will not be subject to any new information collection reporting requirements.
- (d) Based on the Commission's understanding that most IXCs **do not** have in place mechanisms for communicating the information required by 47 C.F.R. § 64.4003(b), the Commission estimates that all 281 IXCs will be affected by the information collection reporting requirements contained in that section.
- (e) Potential IXC respondents newly subject to the notification requirements contained in 47 C.F.R. § 64.4003(a), as adopted in the *2005 Report and Order*, will include approximately **254 IXCs (respondents)**.

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- (f) Potential IXC respondents newly subject to the notification requirements contained in 47 C.F.R. § 64.4003(b), as adopted in the 2005 *Report and Order*, will include approximately **281 IXCs (respondents)**.

The Commission notes the amount of time that it will take for each respondent to provide each of the required notifications will vary significantly depending on, among other things, whether the carrier uses automated or manual processes.

The frequency with which each respondent will be required to provide particular notifications also will vary significantly depending on, among other things:

- (a) Whether the respondent's service territory is primarily urban or rural, and
- (b) Depending upon the number of account changes that a particular respondent's customers happen to make in a given year.

As a general matter, the Commission's estimates assume that larger carriers will rely more on automated processes, and that smaller carriers will rely more on manual processes.

These estimates also assume that, because many smaller carriers operate in rural areas where there may be fewer PIC changes and fewer changes in local service providers than in urban areas, certain smaller carriers may be required to provide notifications less frequently than their larger counterparts.

The following burdens were modified in the *Order on Reconsideration* and represent the Commission's best effort to estimate the original hour and cost burdens associated with the required notifications in the 2005 *Report and Order*:

**Existing Total Number of Respondents with FNPRM:** 1,778 (1,497 LECs + 281 IXCs)

**Existing Total Number of Responses with FNPRM:** 380,340

**Existing Total Annual Hourly Burdens with FNPRM:** 44,576 hours

**Existing Total In-House Cost with FNPRM:** \$1,114,440

**Revised Information Collection Requirements (for existing collection without FNPRM)**

The Commission has re-evaluated its previous assessments of the various burdens for the existing information collection requirements. Due to the particularities of the ROCIS system, the Commission has revised its estimates for the following<sup>2</sup>:

**Total of Respondents without FNPRM:** 1,778 (no change)

**Revised Total Number of Annual Responses without FNPRM:** 330,036

**Revised Total Annual Hourly Burdens without FNPRM:** 38,230 hours

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<sup>2</sup> Per the direct instructions from the Office of Management and Budget (OMB), the Commission was instructed to no longer include proposed rules burdens with burdens associated with final rules.

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**Revised Total In-House Cost without FNPRM:** \$955,750

***Amended Information Collection Requirements (Order on Reconsideration)***

**\*\*NOTE\*\*** *the amendments listed below only affects the same number of LECs (1,497) noted above.*

The following represents the Commission's best effort to estimate the **additional** hour and cost burdens associated with the required notifications in the *Order on Reconsideration*:

- a. 47 C.F.R. § 64.4002(d). The *Order on Reconsideration* extends the information sharing requirements set forth in the *Report and Order* to include situations in which the IXC or a customer contacts a LEC to inform the LEC of the customer's selection of selection of no-PIC status

The Commission estimates that 40% of the 1,497 LECs, or approximately 599 LECs, would experience a processing burden of approximately 3 minutes per notification and would be required to provide the notification 5 times per year, for an annual processing burden of .25 hours per respondent (3 minutes x 5 times/year = 15/60 minutes = .25 hours/respondent), as calculated below:

**Burden Hours:** 599 LECs (respondents) x .25 hours per year = **149.75 (150 hours)**

**Number of Responses:** 599 respondents x 5 notifications = **2,995 notifications/responses**

The Commission assumes that the respondents will use "in-house" personnel whose pay is comparable to a low-to-mid level federal employee (GS-7/Step 5, plus 30% overhead: \$25.00/hour) to process the notifications:

**In-house Cost:** 150 hours x \$27.00 per hour = **\$4,050**

The remaining 60% of the 1,497 LECs, or 898 LECs, would experience a processing burden of approximately 12 minutes per notification. Because these LECs tend to process fewer PIC changes, the Commission estimates that they would be required to provide the notification only 3 times per year. Accordingly, the annual processing burden would be approximately .6 hours per respondent (12 minutes x 3 times/year = 36/60 minutes = .6 hours/respondent), as calculated below:

**Burden Hours:** 898 LECs (respondents) x .6 hours per year = **538.8 (539 hours)**

**Number of Responses:** 898 respondents x 3 notifications = **2,694 notifications/responses**

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The Commission assumes that the respondents will use “in-house” personnel whose pay is comparable to a low-to-mid level federal employee (GS-7/Step 5, plus 30% overhead: \$25.00/hour) to process the notifications:

**In-house Cost:** 539 hours x \$27.00 per hour = **\$14,553**

- b. 47 C.F.R. § 64.4002(e). The *Order on Reconsideration* modified the requirement that a LEC communicate certain account or line information changes that occur on a presubscribed customer’s account to the customer’s PIC to include the date of the change and the carrier identification code of the IXC.

The Commission estimates that 40% of the 1,497 LECs, or approximately 599 LECs, would experience a processing burden of approximately .2 minutes per notification and would be required to provide the notification 80 times per year, for an annual processing burden of .27 hours per respondent (.2 minutes x 80 times/year = 16/60 minutes = .27 hours/respondent), as calculated below:

**Burden Hours:** 599 LECs (respondents) x .27 hours per year = **161.73 (162 hours)**

**Number of Responses:** 599 respondents x 80 notifications = **47,920 notifications/responses**

The Commission assumes that the respondents will use “in-house” personnel whose pay is comparable to a low-to-mid level federal employee (GS-7/5, plus 30% overhead) to process the notifications. The Commission estimates respondents’ cost to be about \$25.00 per hour.

**In-house Cost:** 162 hours x \$27.00 per hour = **\$4,374**

The remaining 60% of the 1,497 LECs, or approximately 898 LECs, would experience a processing burden of approximately 1 minute per notification and would be required to provide the notification 40 times per year. Accordingly, the annual processing burden would be approximately .67 hours per respondent (1 minute x 40 times/year = 40/60 minutes = .67 hours/respondent), as calculated below:

**Burden Hours:** 898 LECs (respondents) x .67 hours per year = 601.66 (**602 hours**)

**Number of Responses:** 898 respondents x 40 notifications = **35,920 notifications/responses**

The Commission assumes that the respondents will use “in-house” personnel whose pay is comparable to a low-to-mid level federal employee (GS-7/Step 5, plus 30% overhead: \$25.00/hour) to process the notifications:

**In-house Cost:** 602 hours x \$27.00 per hour = **\$16,254**

**Rules and Regulations Implementing Minimum Customer Account Record Obligations on All Local and Interexchange Carriers (CARE) Order On Reconsideration, CG Docket No. 02-386**

- c. 47 C.F.R. § 64.4002(g). The *Order on Reconsideration* modified subsection 64.4002(g) to include among the categories of information required by this section to be provided to the customer's PIC: the customer's billing telephone number, working telephone number, and BNA; the effective date of the change of local service provider; a description of the customer type (*i.e.*, business or residential); the jurisdictional scope of the lines or terminals affected (*i.e.*, intraLATA and/or interLATA and/or international); and the carrier identification code of the IXC.

The Commission estimates that 40% of the 1,497 LECs, or approximately 599 LECs, would experience a processing burden of approximately .3 minutes per notification and would be required to provide the notification 15 times per year (.3 minutes x 15 times/year = 4.5/60 minutes = 0.075 hours/respondent), for an annual processing burden of 0.075 hours per respondent, as calculated below:

**Burden Hours:** 599 LECs (respondents) x 0.075 hours per year = 44.925 (**45 hours**)

**Number of Responses:** 599 respondents x 15 notifications = **8,985 notifications/responses**

The Commission assumes that the respondents will use "in-house" personnel whose pay is comparable to a low-to-mid level federal employee (GS-7/Step 5, plus 30% overhead: \$25.00/hour) to process the notifications:

**In-house Cost:** 45 hours x \$27.00 per hour = **\$1,215**

The remaining 60% of the 1,497 LECs, or approximately 898 LECs, would experience a processing burden of approximately 1.5 minutes per notification and would be required to provide the notification 5 times per year (1.5 minutes x 5 times/year = 7.5/60 minutes = 0.125 hours/respondent). Accordingly, the annual processing burden would be approximately 0.125 hours per respondent, as calculated below:

**Burden Hours:** 898 LECs (respondents) x 0.125 hours per year = **112.25 (112 hours)**

**Number of Responses:** 898 respondents x 5 notifications = **4,490 notifications/responses**

The Commission assumes that the respondents will use "in-house" personnel whose pay is comparable to a low-to-mid level federal employee (GS-7/5, plus 30% overhead) to process the notifications. The Commission estimates respondents' cost to be about \$25.00 per hour.

**In-house Cost:** 112 hours x \$27.00 per hour = **3,024**

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**Total Number of Respondents: 1,497 (LECs)**

**Total Number of Responses: 103,004**

**Total Annual Hourly Burden: 1,610**

**Total In-House Cost: \$43,470**

*Cumulative Totals for the Information Collection Requirements (Revisions for existing + Amended information Collection Requirements)*

**Cumulative Total Number of Respondents: 1,778**

**Cumulative Total Number of Responses: 330,036 (revised) + 103,004 (amended) = 433,040 responses**

**Cumulative Total Annual Hourly Burden: 38,230 hours (revised) + 1,610 (amended) = 39,840 hours**

**Cumulative Total In-House Cost: \$955,750 (revised) + \$43,470 (amended) = \$999,220**

13. The following represents the Commission's estimate of annual cost burden to respondents' resulting from the collections of information:
- (a) Total annualized capital/start-up costs: **\$0.00**
  - (b) Total annual costs (operations and maintenance): **\$0.00**
  - (c) Total annualized costs requested: **\$0.00**

Because the *Order on Reconsideration* does not require carriers to use any new or automated information exchange methods, the Commission anticipates that the respondents will not incur any new capital or start-up costs and most will be inclined to hire in-house staff to perform these functions:

- (i) It is unclear how many respondents currently use or in the future may hire third parties to provide their intercarrier notifications.
- (ii) The Commission estimates, however, that the potential cost to the respondents, whether they perform the requirements in-house or hire a third party to perform this function, will be roughly the same.

In particular, although smaller entities may be more likely to use labor-intensive manual processes rather than automated processes, they also may have limited staff resources to perform these functions.



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Because of limited staffing, certain smaller entities may elect to use third party clearinghouses, which use automated processes to provide the required notifications.

Although there are no data available to establish the precise cost of using a third-party clearinghouse, the Commission estimates that the cost to provide the notifications in-house using manual processes may be approximately the same as hiring a third party to perform the same functions using automated processes.

14. The information collections contained in the *Order on Reconsideration* will result in no new costs to the Federal government.
15. On September 13, 2006, the Commission released an *Order on Reconsideration*, In the Matter of Rules and Regulations Implementing Minimum Customer Account Record Exchange Obligations on All Local and Interexchange Carriers, CG Docket No. 02-386, FCC 06-134.

As a result of the *Order on Reconsideration*, the Commission concluded that minor modifications to § 64.4002 were needed to clarify carriers' respective obligations under that rule section.

Due to the modifications of § 64.4002 and the particularities of the ROCIS system, the Commission has revised its estimates for the following:

Total Number of Responses decreased from 380,340 to 433,040 responses.

Total Annual Hourly Burden decreased from 44,576 hours to 39,840 hours.

Total In-House Cost decreased from \$1,114,400 to \$999,220.

16. There are no plans to publish the result of the collection of information.
17. The Commission does not intend to seek approval not to display the expiration date for OMB approval of this information.
18. In the 60 day notice published November 8, 2006 (71 FR 65514), the Commission reported the total annual burden to be 44,576 hours, and the estimated time per response to be 0.75 to 6.70 hours. The Commission now reports the annual burden to be 39,840 hours, and the estimated time per response to be 0.27 to 6.7 hours. There are no other exceptions to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submission," of OMB Form 83-I.

**B.**

**Collections of**

**Information Employing Statistical Methods.**

The Commission does not anticipate that the collection of information will employ statistical methods.