

## SUPPORTING STATEMENT

### **A. Justification:**

On October 25, 2000, the Federal Communications Commission ("the Commission") released a First Report and Order and Further Notice of Proposed Rulemaking in WT Docket No. 99-217, Fifth Report and Order and Memorandum Opinion and Order in CC Docket No. 96-98, and Fourth Report and Order and Memorandum Opinion and Order in CC Docket No. 88-57 ("the Order") to foster competition in local communications markets by implementing measures to ensure that competing telecommunications providers are able to provide services to customers in multiple tenant environments ("MTE").

Specifically, the Order: 1) prohibited carriers from entering into contracts that restrict or effectively restrict a property owner's ability to permit entry by competing carriers; 2) established procedures to facilitate moving the demarcation point to the minimum point of entry ("MPOE") at the building owner's request, and requires incumbent local exchange carriers ("LECs") to timely disclose the location of existing demarcation points where they are not located at the MPOE; 3) determined that, under Section 224 of the Communications Act, utilities, including LECs, must afford telecommunications carriers and cable service providers reasonable and nondiscriminatory access to conduits and right-of-way located in customer buildings and campuses, to the extent such conduits and rights-of-way are owned or controlled by the utility; and 4) extended to antennas that receive and transmit telecommunications and other fixed wireless signals the existing prohibition of restrictions that impair the installation, maintenance or use of certain video antennas on property within the exclusive use or control of the antenna user, where the user has a direct or indirect ownership or leasehold interest in the property.

**a.** The demarcation point burden consists of two components: (1) the LEC shall make available information on the location of the demarcation point within ten business days of a request from the premises owner (location information); and (2) at the time of installation, the LEC shall fully inform the premises owner of its options and rights regarding the placement of the demarcation point or points (options information).

**b.** The OTARD portion of this information collection relates to the revisions of the Commission's rules regarding Over-the-Air Reception Devices ("OTARDs"), 47 C.F.R. § 1.4000. Under these revisions, as a condition of invoking protection under 47 C.F.R. § 1.4000 from government, landlord, and association restrictions, a licensee must ensure that subscriber antennas are labeled to give notice of potential radio frequency safety hazards of these antennas. Labeling information should include minimum separation distances required between users and radiating antennas to meet the Commission's radio frequency exposure guidelines. Labels should also include reference to the Commission's applicable radio frequency exposure guidelines and should use the ANSI-specified warning symbol for radio frequency exposure. In addition, the instruction manuals and

other information accompanying subscriber transceivers should include a full explanation of the labels, as well as a reference to the applicable Commission radiofrequency exposure guidelines. *See* para. 118 of Order.

The availability of this information will give notice to the public - particularly to purchasers of OTARD dishes - of potential radiofrequency safety hazards of OTARD antennas used for telecommunications service. Thus, this information will help to ensure that these antennas comply with the Commission's limits on radio frequency exposure.

The Commission is requesting an extension for this submission in order to obtain the full three year clearance from OMB.

Statutory authority for this information collection is contained in the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56 codified at 47 U.S.C. § 151 et seq. (1996 Act).

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

2. This information will facilitate efficient interaction between premises owners and LECs regarding the placement of the demarcation point, which marks the end of wiring under control of the LEC and the beginning of wiring under the control of the premises owner or subscriber. The demarcation point is a critical point of interconnection where competitive LECs can gain access to the inside wiring of the building to provide service to customers in the building. This collection will also help ensure that customer-end antennas used for telecommunications service comply with the Commission's limits on radiofrequency exposure, and it will provide the Commission with information on the state of the market. In short, this information will be used to foster competition in local telecommunications markets by ensuring that competing telecommunications providers are able to provide services to customers in multiple tenant environments.

3. Prior to finalizing rulemakings, the Wireless Telecommunications Bureau conducts an analysis to ensure that improved information technology cannot be used to reduce the burden on the public. This analysis considers the possibility of obtaining and/or computer-generating the required data from existing data bases in the Commission or other federal agencies.

4. No similar information is available.

5. In conformance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize the burden on all respondents, regardless of size. The Commission has limited the information requirements to those absolutely necessary for evaluating and processing applications and to deter against possible abuses.

6. Each component of the demarcation point information collection is required only once for each premises served, upon request of the premises owner or at the time the wiring is installed. The OTARD information collection is required once for each antenna, at the time of installation. The market data information collection is also required only once, in connection with the

Commission's rulemaking process. Accordingly, less frequent collection of the information is not possible.

7. As described in paragraph 1a of the supporting statement, LECs are required to make available information on the location of the demarcation point within 10 business days of a request from the premises owner (location information); and also at the time of installation, the LEC shall fully inform the premises owner of its options and rights regarding the placement of the demarcation point or points (options information).

8. The Commission initiated a 60-day public comment period which appeared in the FR was published in the Federal Register on July 25, 2007 (72 FR 142). No comments were received as a result of this notice. (A copy is attached).

9. Respondents will not receive any payments.

10. There is no need for confidentiality.

11. This collection does not address any private matters of a sensitive nature.

12. This collection consists of two components:

**a. Demarcation Point Hour Burden (47 CFR § 68.3):**

Number of respondents: According to a CCB Year 2000 study, 1,348 incumbent carriers reported that they were engaged in the provision of local exchange service. Although the demarcation point obligations could apply to competitive LECs as well (and probably will have more application in the future), at this time the demarcation point obligations primarily apply to incumbent LECs, since incumbent LECs are far more likely to control inside wiring in MTEs.

Location information: The total number of MTEs is 1,750,000. At the time of the initial PRA submission, we estimate that requests for location information would be made in approximately half of the buildings, or 875,000, and that each respondent will require half an hour to acquire information on location of the demarcation point. Thus, 875,000 buildings multiplied by .5 hours = 437,500 hours. We anticipated that this annual burden will decrease in a few years because at that time the request for location information would have already been made at most buildings. At the time of renewal in 2004, we should have estimated that the request would be made at one quarter of the remaining buildings or 218,750 buildings. Thus, 218,750 x .5 hours = 109,375 hours. For 2007, we estimate that the request will again be made at on quarter of the remaining 656,250 buildings, or 164,063 buildings. Accordingly, 164,063 x .5 hours = **82,032 hours**.

Options information: Options information must be provided by LECs at the time of installation of the wiring. Thus, the obligation would only apply in new or rewired buildings. We estimate that the number of new or rewired MTEs in any year will equal ten percent of the number of existing MTEs, or 175,000. We anticipate that it will take .5 hours to present options. Thus, 175,000 buildings multiplied by .5 hours = **87,500 hours**.

82,032 hours (location information) + 87,500 hours (options information) = 169,532 hours.

**b. OTARD Hour Burden (47 CFR § 1.4000):**

We estimate that there will be 4,635 respondents. The burden of this requirement is for licensees who provide telecommunications service to OTARD antennas. This includes all Multipoint Distribution Service (MDS), Very Small Aperture Terminal Satellites (VSAT), and Direct Broadcast Satellites (DBS) licensees. In addition, we estimate that ten percent licensees of fixed microwave systems are designed to provide telecommunications service to OTARD antennas. The total estimated number of fixed microwave systems is 22,000; thus, ten percent of these systems (that is, the approximate number of these systems designed for providing telecommunications service) is 2,200. The estimated number of entities affected is as follows: 2,050 (MDS) + 377 (VSAT) + 8 (DBS) + 2,200 (Fixed Microwave) = 4,635 respondents.

We estimate that the tasks described above will take each respondent 10 hours. We assume that each respondent will provide service to a large number of customer-end antennas, but will be able to centralize the production of labels and instruction manual inserts, thus taking advantage of economies of scale.

4,635 (respondents) x 10 (hrs. per response) = **46,350 hours.**

**TOTAL BURDEN HOURS: 82,032 hours (location information) + 87,500 hours (options information), + 46,350 hours (OTARD) = 215,882 HOURS.**

13. The annual reporting and recordkeeping costs are as follows:

**a. Demarcation Point Cost(s):**

Location information. We estimate that this task can be done by in-house administrative staff at \$20 per hour.

164,063 (bldgs.) x .5 (hrs.) = 82,032 (hrs.)

82,032 (hrs.) x \$20/hr. = \$1,640,640.

Options information. We estimate that this task can be done by in-house administrative staff at \$20 per hour.

175,000 (bldgs.) x .5 (hrs.) = 87,500 (hrs.)

87,500 (hrs.) x \$20/hr. = \$1,750,000.

**Total Demarcation Point Cost:** \$1,640,640 (location info.) + \$1,750,000 (options info.) = \$3,390,640 (in-house).

**b. OTARD Collection Cost(s):**

We estimate that this task can be done by in-house administrative staff at \$20 per hour.

$$4,635 \text{ (respondents)} \times 10 \text{ (hrs.)} = 46,350 \text{ (hrs.)}$$

**Total OTARD cost:** 46,350 (hrs) x \$20/hour = \$927,000 (in house).

15. There is a change in the burden. In our 2004 submission to OMB, several calculation errors were made. In paragraph 12(a) of the supporting statement, the second to last sentence of the second paragraph should have read: "At this time of renewal, we estimate that the request would be made at one quarter of the remaining buildings or 218,750." The last sentence of the paragraph should have read: "Thus, 218,750 x .5 = 109,375 hours."

This figure of 109,375 hours should have been carried forward for subsequent calculations. Thus, the burden hours should have been:

109,375 (location info.) + 87,500 (options info.) + 46,350 (OTARD info.) = 243,225 hours. This should have been the amount entered on line 13(c) of Form OMB 38i. Thus, the amount on line 13(c) was overstated by 328,125.

In paragraph 13(a), under location costs the first calculation should have been:

$$218,750 \text{ (bldgs.)} \times .5 \text{ (hrs.)} = 109,375 \text{ hours.}$$

The second calculation should have been:

$$109,375 \text{ (hrs.)} \times \$20/\text{hr.} = \$8,750,000.$$

The Total Demarcation Point Cost should have been:

$$\$2,187,500 \text{ (location info.)} + \$1,750,000 \text{ (options info.)} = \$3,937,500 \text{ (in-house).}$$

For the 2007 renewal, the figures for Demarcation Point Hour Burden have again changed. For this renewal we estimate that the requests will be made at one quarter of the remaining 656,250 buildings or 164,063 buildings. The hours will be 164,063 x .5 = 82,032 hours.

Thus, for 2007, the hours will be:

$$82,032 \text{ hours (location information)} + 87,500 \text{ hours (options information)} + 46,350 \text{ hours (OTARD)} = \mathbf{215,882 \text{ TOTAL ANNUAL BURDEN HOURS.}}$$

There was also an error in the number of respondents. In 2004, the number of respondents should have been reduced by 438, the number of respondents to the NPRM who no longer needed to file in 2004. Thus, the number of respondents in line 13(a) should be 5,983.

16. The data will not be published for statistical use.

17. No expiration date will be displayed.

18. There are no exceptions.

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

No statistical methods are employed.