

SUPPORTING STATEMENT

A. Justification

1. The Federal Communications Commission uses Form 325 "Annual Report of Cable Television Systems" to solicit basic operational information from the cable television industry. The information requested includes: the operator's name and address; system-wide capacity and frequency information; channel usage; and number of subscribers. The purpose of the form is to require operational cable television systems to verify, correct and/or furnish the Commission with the most current information on their respective cable systems.

Revised Information Collection Requirements Which Need OMB Review and Approval:

The Commission made revisions/refinements to FCC Form 325 to accommodate systems using technologies other than coaxial cable (Section II,4). Previously, the number of these filers was very small. Now the portion of the sample is becoming significant. These revisions/refinements to Form 325 will allow the form to be filed electronically by these filers, avoiding a significant cost. Refinements are also made to the form to eliminate instances where potential subscribers are double counted (Section II,2). This occurs where a competing system enters the market and reports as such. These refinements impose no significant new requirement and will reduce aggregate filing costs by simplifying filing for overbuilders and permitting electronic filing for the increasing number of competing service providers.

History:

In March 1999, the Commission released a *Report and Order*, CS Docket 98-61 which significantly streamlined the Form 325 information collection process in ways that both reduced the administrative burden placed upon the cable industry and the Commission, and yet permitted the Commission to meet its responsibilities in regulating the cable television industry. The *Report and Order* amended the Commission's rules so that only those systems serving more than 20,000 subscribers and a random sample of useable data from systems serving fewer than 20,000 subscribers would be subject to the Form 325 filing obligation, instead of the entire universe of approximately 6,325 systems.

The Commission released an Order on Reconsideration, CS Docket No. 98-61, FCC 00-164 in June 2000. This proceeding further streamlined the processing of the FCC Form 325. The proceeding also significantly reduced the number of cable systems required to file the form. The Commission suspended the filing requirement of FCC Form 325, but resumed the information collection process for this OMB control number in 2003.

OMB Control Number: 3060-0061
Annual Report of Cable Television Systems, FCC Form 325

August 2008

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.

Statutory authority for this collection of information is contained in Sections 4(i), 601 and 602 of the Communications Act of 1934, as amended.

2. FCC Form 325 primarily assists the Commission in collecting information regarding the conversion of cable systems from the analog to the digital medium. The information collected allows the Commission to monitor the scope of the conversion process. The information solicited also helps to assess industry compliance with Commission rules and to monitor industry trends in various areas.

3. The Commission requires FCC applicants to file Form 325 electronically.

4. Basic information concerning cable television system operation is available from commercial sources such as A.C. Nielson and Warren Publishing; however, because this information is not subject to the accuracy and specificity requirements applicable to a governmental reporting system, the Commission continues to need the information that Form 325 provides.

5. Form 325 information collection process will not have an impact on a substantial number of small entities.

6. If this collection of information were not conducted, the Commission would lack reliable basic operational information concerning the cable television industry.

7. There are no special circumstances associated with this collection of information.

8. The Commission published a Notice in the Federal Register on June 27, 2008 see 73 FR 36514. No comments were generated as a result of the Notice.

9. There are no payments or gifts given to respondents.

10. There is no need for confidentiality.

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

12. Form 325 is an annual filing requirement. We expect 1,200 cable systems to file Form 325. The estimated average burden to respondents to complete Form 325 is two hours and ten minutes

per filing.

Total Number of Annual Respondents: 1,200 respondents.

Total Number of Annual Responses: 1,200 FCC Form 325 Filings.

Total Annual Burden Hours:
1,200 Cable Systems x 1 filing/year/system x 2.166 hours/filing = 2,599 hours.

Total Annual "In-house costs": We estimate an average hourly wage of \$48.08 per hour for cable system staff that will be tasked with completing Form 325.

1,200 cable systems x 1 filing/year/systems x 2.166 hours/filing x \$48.08/hour = **\$124,969.53.**

Estimates are based on Commission staff's knowledge and familiarity with the availability of the data required.

13. **Annual Cost Burden:**

(a) Total annualized capital/startup costs: None

(b) Total annual costs (O&M): None

(c) Total annualized cost requested: **None**

14. **Cost to the Federal Government:** Approximately 1,200 Form 325 filings will be filed with the Commission. The average processing time for each filing is 0.5 hours. Media Bureau staff (GS-9, step 5 @ \$26.13 per hour) will be used for processing the filings.

1,200 filings x 0.5 hours x \$26.13 per hour = \$15,678.00

Total Cost to the Federal Government = \$15,678.00

15. There is a program change of +243 hours for this information collection due to revisions made to FCC Form 325 by the Commission.

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

17. We seek approval to not display the expiration date for OMB approval on Form 325. This

form is filed electronically.

18. There are no exceptions to Item 19 of the Certification Statement.

B. Collections of Information Employing Statistical Methods

No statistical methods are employed.