

SUPPORTING STATEMENT

A. Justification:

The Commission is submitting this collection to extend the current approval for three years. There are no changes to the reporting, recordkeeping and/or third party disclosure requirements. The number of respondents/responses has increased; and the total annual burden hours have decreased. See item 15 of this supporting statement for a detailed explanation.

1. These information collections are necessary to provide consumers ready access to information concerning the rates, terms, and conditions governing the provision of interstate, domestic, interexchange services offered by nondominant interexchange carriers (IXCs) in a detariffed and increasingly competitive environment. These information collections are consistent with OMB's "strong recommendation" earlier in this proceeding that the Commission consider mechanisms to make pricing information available to consumers, State regulators, and other interested parties.

a. Information disclosure requirement: The *Second Order on Reconsideration* reinstated the public disclosure requirement that was originally established in the *Second Report and Order* released in October 1996 (CC Docket 96-61) and requires nondominant IXCs to make available to the public information on the current rates, terms, and conditions for all of their interstate, domestic, interexchange services. See 47 C.F.R. § 42.10(a).

b. Internet Posting Requirement: The *Second Order on Reconsideration* requires nondominant IXCs that have Internet websites to make the rate and service information described above in section 1.a available on-line in a timely and easily accessible manner, and to update this information regularly. See 47 C.F.R. § 42.10(b).

c. Recordkeeping Requirement: Nondominant interexchange carriers are required to maintain at their premises service information regarding all of their interstate, domestic, interexchange service offerings so that they can submit such information to the Commission upon request. See 47 C.F.R. § 42.11. Statutory authority for this information collection is Sec. 4(i), 47 U.S.C. § 154(i); interprets or applies sections 219 and 220, 47 U.S.C. §§ 219, 220.

d. Certification Requirement: Nondominant interexchange carriers must file a certification stating that they are in compliance with their statutory geographic rate averaging obligations under Section 254(g). See 47 C.F.R. § 64.1900.

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 information collection is contained in: sections 1, 4, 10, 201-205, 215, 218, 220, 226, and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 160, 201-2-5, 215, 218, 220, 226, and 254.

2. The information collected under the information disclosure requirement and the Internet posting requirement must be disclosed to the public to ensure that consumers have access to the information they need to select a telecommunications carrier and to bring to the Commission's attention possible violations of the Communications Act without a specific public disclosure requirement. The information collected under the recordkeeping and certification requirements will be used by the Commission to ensure that affected interexchange carriers fulfill their obligations under the Communications Act, as amended.

3. Commission rules impose the Internet posting requirement described in item 1.b above to ensure that consumers and consumer groups that analyze rate and service information can access this information easier using information technology.

4. We know of no duplication of this information. There is no similar information available in this area.

5. The collection of information will affect large and small entities. Because the information required to be disclosed is relatively modest, we do not believe that the requirements severely impact small businesses or other small entities. The *Second Order on Reconsideration* minimizes the burden of compliance by exempting nondominant IXCs that do not have an Internet website from the Internet posting requirement described in item 1.b above.

6. If the information required to be disclosed is not collected or is collected less frequently, it will delay implementation of the Commission's detariffing policy, and may make it difficult for the Commission to ensure that carriers fulfill their obligations under the Communications Act, as amended, and the Commission's policies and rules. In addition, consumers may find it more difficult to obtain the information they need to select a telecommunications carrier and to bring to the Commission's attention possible violations of the Communications Act without a specific public disclosure requirement.

7. Nondominant interexchange carriers are required to maintain rate and service information in a manner that allows them to produce such records within ten business days of receipt of a Commission request. This requirement will enable the Commission to meet, in a timely manner, its statutory duty of ensuring that such carriers' rates, terms, and conditions for service are just reasonable, and not unreasonably discriminatory, and that these carriers comply with the geographic rate averaging and rate integration requirements of the 1996 Act. In addition, maintenance of such records will enable the Commission to investigate and resolve complaints quickly. There are no other special circumstances.

8. Pursuant to 5 C.F.R. § 1320.8(d), the Commission published a notice in the Federal Register to solicit public comment on September 18, 2008. See 73 FR 54158. No comments were received. A reference in the notice is included in this submission to OMB.

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

10. No information of a confidential nature is being sought; however, respondents may request materials or information submitted to the Commission be withheld from public inspection under section 0.459 of the Commission's rules. See 47 C.F.R. § 0.459.

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

12. The following represents the hours burden estimates of the information collections:

a. Information Disclosure Requirement:

- (1) Number of respondents: Approximately 700.
- (2) Frequency of response: Third party disclosure requirement.
- (3) Total annual responses: Approximately 1 each (700).
- (4) Annual hour burden per respondent: 1 hour.
- (5) Total annual hour burden: **700 hours.**

The Commission believes that respondents have available in the ordinary course of their business the information required to be disclosed. In addition, the Commission already requires respondents to post and make publicly available the information required to be disclosed. The Commission believes that the information disclosure requirement will not increase appreciably respondents' paperwork burdens because they have been providing this information for a considerable period of time and have likely become efficient in satisfying this requirement.

700 respondents x 1 response/year x 1 hour = 700 hours.

- (6) Estimate of "in house" cost to respondents: \$28,000.
- (7) Explanation of calculation:

The Commission estimates that the average cost per hour is \$40.

700 responses x 1 hour per response x \$40 per hour = \$28,000.

b. Internet Posting Requirement:

- (1) Number of respondents: Approximately 700.

- (2) Frequency of response: Third party disclosure requirement.
- (3) Total annual responses: Approximately 1 each (700).
- (4) Annual hour burden per respondent: 1 hour.
- (5) Total annual hour burden: **700 hours**.

The Commission believes that most nondominant IXCs already are posting this information on-line at their Internet website voluntarily. As a result, the Commission believes that the Internet posting requirement will not increase appreciably most respondent's paperwork burdens.

700 respondents x 1 response/year x 1 hour = 700 hours.

- (6) Total estimate of "in house" cost to respondents: \$28,000.
- (7) Explanation of calculation:

The Commission estimates that the average cost per hour is \$40 per hour.

700 responses x 1 hour per response x \$40 per hour = \$28,000.

c. Recordkeeping Requirement:

- (1) Number of respondents: Approximately 700.
- (2) Frequency of response: Recordkeeping requirement.
- (3) Total annual responses: None. This is a recordkeeping requirement.
- (4) Annual hour burden per respondent: 1 hour.
- (5) Total annual hour burden: **700 hours**.

The documents carriers would be expected to retain are used in the ordinary course of their business. The Commission expects that each respondent will, on average, file one notification from the individual designated to respond to Commission inquiries, which will consist of a single page.

700 respondents x 1 hour/per year to perform recordkeeping = 700 hours.

- (6) Total estimate of "in house" cost to respondents: \$56,000.

(7) Explanation of calculation:

The Commission estimates that the average cost per hour is \$40 per hour.

700 responses x 1 hour per recordkeeping requirement x \$40 per hour = \$56,000.

d. Certification Requirement:

(1) Number of respondents: Approximately 700.

(2) Frequency of response: Annual reporting requirement.

(3) Total annual responses: Approximately 700.

(4) Annual hour burden per respondent: .5 hours.

(5) Total annual hour burden: **350 hours.**

The Commission estimates that it will take no more than .5 hours to complete and send the certification requirement to the Commission.

700 respondents x 1 response per year x .5 hours per year = 350 hours.

(6) Total estimate of "in house" cost to respondents: \$14,000.

(7) Explanation of calculation:

The Commission estimates that the average cost per hour is \$40 per hour.

700 responses x .5 hour per response x \$40 per hour = \$14,000.

The following is a list of the hours burden estimate under this control number:

a. Information Disclosure Requirement	700 hours
b. Internet Posting Requirement	700 hours
c. Recordkeeping Requirement	700 hours
d. Certification Requirement	<u>+350 hours</u>
Total Annual Hours Currently Requested	2,450 total annual burden hours

Total Annual Hours for all collections under this control number: **2,450 hours.**

The following is a list of the number of responses under this control number:

a. Information Disclosure Requirement	0
b. Internet Posting Requirement	0

c. Recordkeeping Requirement	0
d. Certification Requirement	+700
Total Responses Currently Requested	700

Total Responses for all collections under this control number: **700 responses.**

13. Cost to the Respondent: None.
14. The estimated annualized cost to the Federal Government is at a minimum the proportion of the annual budget of the Pricing Policy Division that is dedicated to reviewing and filing the annual certifications.
15. The Commission notes the following adjustments since the previous submission:
 - a. The number of respondents has increased as the likely result of an increase in alternate providers (i.e. VoIP providers) and prepaid calling card providers. Also, the Commission on occasion issues reminders of these requirements which may result in an increase in responses.
 - b. The total annual burden hours has decreased because Commission staff assumes that the respondents have adapted to the third party disclosure requirements; internet posting and certification requirement of this information collection and therefore require significantly less time to comply. In other words, the estimated time per response for the information disclosure and internet posting requirements has significantly decreased since the 2006 submission to the OMB. Therefore, the Commission is reporting a -81,887 hour decreased adjustment in the total annual burden hours.
16. The Commission does not anticipate that it will publish any of the information.
17. The Commission does not seek approval to not display the expiration date for OMB approval of the information collection.
18. There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods:

Not applicable. The Commission does not anticipate that the collections of information will employ statistical methods.