

Note: This submission is made pursuant to 44 USC 3507. This collection is being submitted to extend an existing collection. In the Commission's Memorandum Opinion and Order and Notice of Proposed Rulemaking, WC Docket No. 08-190, et.al, FCC 08-203, released September 6, 2008, the Commission granted in significant part AT&T's petition for forbearance from the ARMIS service quality and infrastructure reporting requirements, subject to certain conditions. In addition, the Commission determined that its conclusions underlying its forbearance decision for AT&T also hold true for the other carriers required to file ARMIS Reports 43-05, 43-06, 43-07, and 43-08. Subject to certain conditions, the Commission found that the criteria of section 10(a) (1) and (a) (2) are satisfied. Given the burdens associated with the data reporting, and in light of the commitments of the reporting carriers, and other continuing regulatory requirements, the Commission determined that forbearance to be in the public interest.

The Commission noted that the reporting carriers have committed to continue gathering customer satisfaction data and to file those data publicly, through ARMIS Report 43-06 filings for twenty-four months from the effective date of the Commission's order. Further, the Commission noted that this will ensure continuity with regard to the customer satisfaction data that the Commission has collected up to this point, and affords the Commission a reasonable period of time to consider whether to adopt industry-wide reporting requirements. The Commission therefore adopted that commitment as a condition of its forbearance. Finally, the Commission granted the same forbearance relief to any similarly situated carriers who made that same commitment, and made clear that the relief that the Commission granted is not otherwise conditional.

In the NPRM portion of the Commission's September 6, 2008 Order placed in the Federal Register, 73 FR 60997 (Oct. 15, 2008), the Commission recognized the possibility that customer satisfaction data contained in ARMIS Report 43-06 might be useful to consumers to help them make informed choices in a competitive market, but only if available from the entire relevant industry. The Commission tentatively concluded that it should collect this type of information, and seek comments on specific information that the Commission should collect. The Commission also asked for comments on the appropriate mechanism for such data collection.

SUPPORTING STATEMENT

A. Justification:

1. Section 220 of the Communications Act of 1934, as amended, 47 USC 220, allows the Commission, at its discretion, to prescribe the forms of any and all accounts, records and memoranda to be kept by carriers subject to this Act, including the accounts, records and memoranda of the movement of traffic, as well as the receipts and expenditures of moneys.

Section 219(b) of the Communications Act of 1934, as amended, 47 USC 219(b),

authorizes the Commission by general or special orders to require any carrier subject to this Act to file monthly reports of earnings and expenses and to file periodical and/or special reports concerning any matters with respect to which the Commission is authorized or required by law to act. Section 43.21 of the Commission's rules details that requirement.

ARMIS was implemented to facilitate the timely and efficient analysis of revenue requirements, rates of return and price caps; to provide an improved basis for audits and other oversight functions; and to enhance the Commission's ability to quantify the effects of alternative policy. The ARMIS 43-06 Report reflects the results of customer satisfaction surveys conducted by individual carriers with residential and business customers. The ARMIS 43-06 captures trends in service quality based on results of consumer satisfaction surveys.

Section 11 of the Communications Act of 1934, as amended, 47 U.S.C. 161, requires the Commission, in every even-numbered year beginning in 1998, to review its regulations applicable to providers of telecommunications services to determine whether the regulations are no longer in the public interest due to meaningful economic competition between providers of such services and whether such regulations should be repealed or modified. Section 11 further instructs the Commission to repeal or modify any regulation it determines to be no longer in the public interest.

There are no changes to the annual reporting requirement. There is no change in the estimated burden for this report.

The statutory authority of this collection is contained in Sections 161, 219(b), and 220 of the Communications Act of 1934, 47 U.S.C. 161, 219(b) and 220.

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.

2. The information contained in the ARMIS 43-06 Report provides the necessary detail to enable this Commission to fulfill its regulatory responsibilities. Automated reporting of these data greatly enhances the Commission's ability to process and analyze the extensive amounts of data that are needed to administer its rules. Automating and organizing data submitted to the Commission facilitate the timely and efficient analysis of revenue requirements, rate of return and price caps, and provide an improved basis for auditing and other oversight functions. It also enhances the Commission's ability to quantify the effects of policy proposals.

3. The Commission has developed an Electronic ARMIS Filing System ("EAFS") to provide on-line submission of carrier filings and to provide a user-friendly, feature-rich data base system from which users can extract ARMIS data in a variety of ways. ILECs are required to file their ARMIS reports electronically through the Internet. Carriers and other interested parties can access ARMIS data from the Commission's EAFS Home Page at <http://www.fcc.gov/wcb/eafs>.

4. No duplication of the required data exists outside the agency. The Commission knows of no other existing information that would serve our regulatory purposes.

5. The collection of information does not involve small businesses or other small entities. There are two classes of incumbent LECs for accounting purposes: Class A and Class B. Carriers with annual revenues from regulated telecommunications operations equal to or above the indexed revenue threshold, currently \$138 million are classified as Class A; those falling below that threshold are considered Class B. Class A carriers with annual revenues in excess of \$138 million but less than \$8.181 billion are classified as mid-sized and are permitted to maintain accounts at the Class B level. Only Class A carriers file ARMIS reports.

6. The FCC Report 43-06 is filed once a year and thus, if the automated reporting were conducted less frequently, the Commission would not have the data in a timely manner to perform its functions. Subsequent submissions correcting previously filed data are to be filed as soon as the correction is identified.

7. Not applicable.

8. A notice was published in the Federal Register as required by 5 CFR §1320.8(d). See 74 FR 2589, dated January 15, 2009. In the Commission's Memorandum Opinion and Order and Notice of Proposed Rulemaking WC Docket 08-190, et. al, FCC 08-203, released September 6, 2008, the Commission stated that we would seek comment regarding whether to initiate an industry-wide data collection with respect to service quality and consumer satisfaction data of the sort collected through ARMIS Reports 43-05 and 43-06. The Commission recognized the potential for such information to help consumers make informed choices in a competitive market. Further, the Commission mentioned that the reporting carriers have committed to continue collecting this service quality and consumer satisfaction data and to file those data publicly through ARMIS 43-05 and 43-06 filings for twenty-four months from the effective date of this Order. The Commission therefore adopted that as a condition of its forbearance and it granted the same forbearance relief to any similarly situated carriers who make that same commitment, and the Commission stated that the relief granted is not otherwise conditional.

9. Not applicable. There will be no payments or gifts to respondents.

10. Ordinarily, questions of a sensitive nature are not involved in the ARMIS Customer Satisfaction Report. The Commission contends that areas in which detailed information is required are fully subject to regulation and the issue of data being regarded as sensitive will arise in special circumstances only. In such circumstances, the respondent is instructed on the appropriate procedures to follow to safeguard sensitive data. 47 CFR Part 0.459 contains the procedures for requesting confidential treatment of data.

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

12. The following represents the estimate of the annual burden hours and the annual cost burden for the collection of information. We note that the burden hours imposed by the requirement is very difficult to quantify. The following represents our best estimate.

FCC Report 43-06 (Customer Satisfaction Report):

1. Number of Respondents: 7

In this collection, there is no change in the number of carriers filing this report. In its Memorandum Opinion and Order and Notice of Proposed Rulemaking 73FR 60997 (Oct. 15, 2008), the Commission tentatively concluded that it should collect this type of information and requested comments on specific information that the Commission should collect. The Commission also tentatively concluded that these data would be useful only if they are collected from the entire relevant industry. Thus, any such data collection would gather this information from all facilities-based broadband and/or telecommunications providers. Upon issuance of the Commission's Order in this proceeding, there may be no carriers filing this report or the entire relevant industry will file a report.

2. Frequency of Response: Annual reporting requirement.

3. Total Number of Responses Annually: 7

7 carriers 1 response/annum = 7 responses.

4. **Total Annual Hourly Burden: 5,040 hours**

The Commission estimates that each respondent takes approximately 720 hours to comply with the requirement.

7 carriers x 720 hours per filing = 5,040

5. Estimated Industry Cost: \$176,400

The Commission estimates that it will take each carrier using in-house staff equivalent to a GS-11, step 5 Federal employee, plus 30% overhead, to comply with the requirement.

7 (number of respondents) x 1 (number of filings) x 720 (hours per filing) x \$35 per hour = \$176,400.

13. The following represents the Commission's estimate of the annual cost burden for respondents or recordkeepers resulting from the collection of information.

(a)(1) Total capital and start-up cost component (annualized over its expected useful life): \$0. The reporting requirement will not require the purchase of additional equipment.

(2) Total operation and maintenance and purchase of services component: \$0.

14. The Federal government's annualized cost for the entire ARMIS program has been estimated at \$648,938. This estimate was derived as follows:

Employees Salaries Allocated to ARMIS	\$390,397
Benefits	78,079
Overhead	138,137
Office Space Dedicated to ARMIS (550 sq. ft. @ \$43 sq. ft.)	25,800
Equipment and Supplies (i.e., diskettes, file folders, computers disk drives)	13,400
Filing Equipment	3,125
Total Annual ARMIS Cost	\$648,938

Of the total annual ARMIS cost of \$648,938, we estimate the FCC Report 43-06 portion to be \$9,929. This estimate includes the necessary automation equipment, software, supplies, and personnel needed to execute the automated reporting program.

15. There is no change in burden.

16. Data from these reports are placed on-line as to provide a user-friendly, feature-rich database system from which users can extract ARMIS data in a variety of ways from the reports.

17. The Commission seeks approval not to display the expiration date of OMB approval. Display of the expiration date would not be in the public interest because we would have to destroy all of the unused reports previously printed. This would constitute waste and would not be cost effective.

18. There are no exceptions to the certification statement in item 19 of the OMB 83i.

B. Collections of Information Employing Statistical Methods:

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