

Supporting Statement

A. Justification:

The Federal Communications Commission (“Commission”) is requesting an extension of the information collection, “Regulation of International Accounting Rates,” under OMB Control 3060-0454.

We would like to maintain OMB approval for the following applications:

<u>Name of Form</u>	<u>Brief Description</u>	<u>Rule Section</u>
Application for An Accounting Rate Change	Request for an accounting rate change	§64.1001
International Accounting Rate Changes (ARC) Waiver	Request to waive the Commission’s International Settlement Policy	§64.1002
International Accounting Rate Changes (ARC) – Other Filings	Notification of miscellaneous items	§64.1002 ¹

The Commission has authority for this information collection pursuant to Sections 1, 4(i)-4(j), 43, 63, 201-205, 214, 303(r), and 309 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i)-154(j), 201-205, 214, 303(r), and 309.

This information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. The information is used by the Commission staff in carrying out its duties under the Communications Act. The information collections are necessary for the Commission to maintain effective oversight of U.S. carriers that are affiliated with, or involved in certain co-marketing or similar arrangements with, foreign carriers that have market power. Additionally, the information collections are necessary to analyze market trends to determine whether amendment of the Commission's existing rules or proposals of new rules are necessary to promote effective competition and prevent anti-competitive behavior between American and foreign carriers.

¹ The Commission will account for these filings in the burden chart under question 12 once these miscellaneous items have been identified and an actual form has been developed by the Commission.

3. A total of 100 percent of all international accounting rates modifications are filed in the International Bureau Filing System (IBFS).
4. This information collection requirement is not duplicated elsewhere in the Commission's rules.
5. The information collection requirements do not impose a significant economic impact on small entities. We believe that the proposals are in the public interest and would not impose undue burdens on all carriers required to file for international telecommunications services pursuant to our rules, including those carriers that are small entities. Furthermore, mandatory electronic filing expedites service to the public since the Commission will be able to review electronic applications faster.
6. If the collections are not conducted or are conducted less frequently, applicants will not obtain the authorizations necessary to provide telecommunications services, and the Commission will be unable to carry out its mandate under the Communications Act of 1934. Furthermore, the Commission would lack sufficient information to determine whether new or modified rules are necessary to combat anti-competitive behavior between American and foreign carriers.
7. To the extent that a carrier considers the material submitted to be of a commercially sensitive nature, it may request confidential treatment. A carrier will need to make a full showing under the Freedom of Information Act (FOIA) that the information should be held confidential. There are no other circumstances that would require the information to be collected in a manner inconsistent with the general information collection guidelines in 5 CFR § 1320.6.
8. On November 23, 2010, the Commission published a 60-day notice in the Federal Register (Cite: 75 FR 71434) seeking comments from the public on the information collection requirements that are contained in this supporting statement. The comment period ended on January 24, 2011. No comments were received from the public.
9. The Commission does not provide any payment or gift to respondents.
10. The Commission does not provide assurances of confidentiality to entities submitting their filings and applications. However, entities may request confidential treatment of their applications and filings under 47 C.F.R. 0.459 of the Commission's rules.
11. This collection does not contain questions of a sensitive nature.
12. The 5 respondents for this collection are U.S. carriers engaged in international telecommunications. Respondents submit the information on an "as needed" basis. The burden

**Sections 43.51, 64.1001, 64.1002, Regulation of
International Accounting Rates**

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associated with this collection is set forth below.

Filing Requirements of U.S. Carriers

Explanation of Burden Estimate	Number of Responses	Frequency of Response	Time Per Response	Total Annual Burden Hours
Section 43.51 - Copy of each operating agreement	5	1 (On occasion)	1 Hour	5
Section 64.1001 - Modifications to international settlement arrangements with foreign carriers possessing market power	5	30 (On occasion)	1 Hour	150
Section 43.51 contract filing requirements are maintained for U.S. carriers entering agreements with foreign carriers with market power only if U.S.-international routes are still governed by ISP	5	5 (On occasion)	1 Hour	25
Section 64.1002 – U.S.Carriers seeking to waive the Commission’s International Settlements Policy (ISP)	5	5 (On occasion)	5 Hours	25
Totals:	20 Responses			205 Annual Burden Hours

Respondents' In-House Costs: We estimate that the hourly rate for personnel at respondents' companies to fulfill the requirements will be \$33.92 per hour. This figure assumes that the respondents will use personnel equivalent in salary to a GS-11/Step 5 employee at the Federal Government.

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 205 burden hours x \$33.92 salary per hour = **\$6,953.60.**

13(a). Start-Up Costs: Zero

(b). Operations and Maintenance Costs: We believe that carriers will **also** need assistance from outside law firms to prepare 5% of the submissions (**10 responses**) to the Commission, especially their first submission. This figure is based on a small survey of local firms in the D.C. area and is considered a conservative estimate.

(c). Total Costs to Respondents: 10 responses x \$300 per hour = **\$3,000**.

14. Government Costs:

We estimate a \$33.92 average hourly rate for processing these modifications based on a GS-11/Step 5 hourly rate. Therefore, 20 responses x \$33.92/hour x .25 hours/response = **\$169.60**.

15. This information collection reflects an adjustment in annual costs from \$2,200 to \$3,000 as a result of an increase in the hourly rate for outside legal assistance from \$200 to \$300 per hour. Also, there is an adjustment to the annual number of responses from 41 to 20 due to less responses being accounted for with this collection.

16. The results of this information collection requirement will not be published for statistical use.

17. Not applicable. The Commission is not seeking approval to not display the expiration date for OMB approval of this information collection.

18. On November 23, 2010, the Commission published a 60-day notice in the Federal Register (Cite: 75 FR 71434) seeking comments from the public on the information collection requirements that are contained in this supporting statement. In the notice, the number of responses was stated as 41 and the annual cost burden was stated as \$2,000. We correct those figures with this submission to read as 20 responses and \$3,000 in burden cost. There are no other exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods:

Not applicable. This information collection does not employ statistical methods.