

SUPPORTING STATEMENT

This collection is being submitted to revise an existing collection to reflect changes in the marketplace. In the *USF/ICC Transformation Order*, FCC 11-161, the Commission eliminated the remaining universal service data filings previously contained in this information collection. Therefore, the burden associated with these filings (9,785 hours) has been removed from this information collection (IC). See item 12b of this supporting statement.

A. Justification:

1. By adopting the *Report and Order*, the Commission took action to further accelerate the development of competition in the local and long-distance telecommunications markets, and to further establish explicit universal service support that will be sustainable in an increasingly competitive marketplace, pursuant to the mandate of the Telecommunications Act of 1996 (1996 Act). The Commission requires the following information to be reported to the following entities under the Coalitions for Affordable Local and Long Distance Service (CALLS) Proposal:

a) **Tariff Filing:** The *Report and Order* required price cap local exchange carriers (LECs) to modify their annual access tariff filings in the following ways: 1) subtracting from their July 2000 tariff filings the estimated universal service support that they were to receive from USAC over that year; 2) consolidating the access revenues that they examined to determine whether to charge the subscriber line charge (SLC) cap or the actual cost of their access lines; 3) if they choose to de-average their SLC, adding up the components of their averaged traffic sensitive charges to test whether the charges have reached the target rate; 4) calculating their SLC rates by Unbundled Network Element Zone. *See 47 C.F.R. §§61.45 – 61.49.*

b) **Quarterly and Annual Data Filings:** In the *USF/ICC Transformation Order*, the Commission reformed its high-cost universal service rules and eliminated the universal service data filings that were associated with this control number.

c) **Cost Support Information:** The *Report and Order* requires price cap LECs who choose not to follow the voluntary portions of the CALLS Proposal to submit cost support information, which the Commission would use to set their access rate levels.

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.

Note: This submission is made pursuant to the authority contained in sections 1, 4(i) and (j), 201-209, 218-222, 254, and 403 of the Communications Act, as amended.

2. Use of the information filed

a) Tariff information filed with the Commission: The Commission uses the modified tariff information filed by the price cap LECs to ensure compliance with the various interstate access reforms of the CALLS proposal.

b) Cost Information filed with the Commission: The Commission uses the cost support information filed by the price cap LECs to ensure that their interstate access rates are just and reasonable, as required by section 201 (b) of the Communications Act.

3. Price cap LECs' tariffs relating to the CALLS Proposal and any cost support information are filed electronically.

4. There will be no duplication of information filed. All three of the Collections were new collections, and each are filed with a single entity: the price cap LECs' modified tariffs and cost support information were both filed with the Commission.

5. The collection of modified tariff and cost support information will affect only large entities. Because many aspects of the CALLS Proposal will decrease administrative burdens, we do not believe that the overall information requirements will severely impact small businesses.

6. If the Commission did not collect the price cap LECs' modified tariff or cost support information, it would impede Congress' goal of developing competition in the local and long-distance telecommunications markets. Furthermore, it could substantially delay consumers receiving the benefits of the reduction in access charges and the elimination of the presubscribed interexchange carrier charge (PICC).

7. The Commission does not foresee any special circumstances that would cause an information collection to be conducted under extraordinary circumstances.

8. Pursuant to 5 CFR 1320.8, the Commission placed a notice in the FR. See 78 FR 8526, dated February 6, 2013. No PRA comments were received.

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

10. The Commission is not requesting respondents to submit confidential information to the Commission or to USAC. If the Commission requests respondents to submit information to the Commission that the respondents believe are confidential, respondents may request confidential treatment of such information pursuant to Section 0.459 of the Commission's rules.

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

12. Estimates of hour burden of the collection of information.

a) Modified tariff filings with the Commission:

Number of Respondents: 18

Frequency of Response: On occasion. 1 per year.

Annual Hour Burden: 2

How Burden was estimated: Based on past tariff filings.

Total Annual Hour Burden for All Respondents: 36

Estimate of annualized cost to respondents for the hour burdens for collections of information: 36 hours x \$40 per hour (including staff time and overhead) = \$1,440.

b) Cost support filings with the Commission:

Number of Respondents: 2

Frequency of Response: Annual. 1 per year.

Total Annual Hour Burden for all Respondents: 20.

How Burden was estimated: Based on past cost support filings.

We estimate that only two price cap LECs (one large and one small) will opt for the cost support filing instead of following the CALLS Proposal. It should take 15 hours for the large price cap LEC, and 5 hours for the small one. The amount of time needed is reduced by the fact that price cap LECs should already have data from the UNE cost studies. Thus, they will simply need to aggregate the UNE data into access and switching elements.

Estimate of annualized cost to respondents for the hour burdens for collections of information: 20 hours x \$40 per hour (including staff time and overhead) = \$800.

Total Number of Respondents: $18 + 2 = 20$ respondents.

Total Number of Responses: $18 + 2 = 20$ responses.

Total Annual Burden for All Collections: $36 + 20 = 56$ hours.

13. Estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

a) Modified tariff and cost support filings with the Commission

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

Total operation and maintenance and purchase of services component: \$0.
The collection will not result in additional operating or maintenance expenses.

14. Estimate of annualized cost to the federal government.

- a) Modified tariff and cost support filings with the Commission: There will be few, if any, costs to the Commission because tariff review is already part of the Commission's duties.

15. The total annual burden for this collection of information is now 56 burden hours. This information collection previously included universal service data, but the Commission's USF/ICC Transformation Order reformed the high-cost universal service rules and eliminated the data filings that were associated with this control number. Accordingly, the number of respondents, responses and annual hour burden has been reduced as a 9,785 hour program change in this control number. This collection of information continues to be necessary to implement the 1996 Act.

16. The Commission does not anticipate that it will publish any of the information.

17. The Commission does not seek approval not to display the expiration date for OMB approval of the information collections.

18. Not applicable. The commission does not seek any exceptions.

B. Collections of Information Employing Statistical Methods:

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