

SUPPORTING STATEMENT

A. Justification:

1. The Cable Television Consumer Protection and Competition Act of 1992 required the Commission to prescribe rules and regulations for determining reasonable rates for basic tier cable service and to establish criteria for identifying unreasonable rates for cable programming services and associated equipment. FCC Form 1220 is used by cable operators to demonstrate their costs of providing cable service in order to justify rates above levels determined under the Commission's benchmark methodology. Cable operators submit this form to local franchising authorities ("LFAs") or the Commission (in situations where the Commission has assumed jurisdiction) only when justifying rates based on cost of service.

The Commission is requesting an extension of this information collection to receive a three year OMB approval/clearance for this collection.

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 154(i) and 623 of the Communications Act of 1934, as amended.

2. The data is used by Commission staff and LFAs to determine whether cable rates for basic service and associated equipment are reasonable under Commission regulations.

3. The use of information technology is feasible for this collection. Automated diskette versions of FCC Form 1220 are available to respondents. FCC Form 1220 is also available on the Commission's internet website.

4. This agency does not impose a similar information collection on the respondents. There are no similar data available.

5. This collection of information does not impact a significant number of small businesses/entities.

6. If we did not collect this information, we would not be able to carry out our statutory responsibilities under Section 623 of the Cable TV Consumer Protection and Competition Act of 1992.

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

8. The Commission published a Notice (78 FR 2993) in the *Federal Register* on January 15, 2012. The Commission received no comments as a result of the Notice.

9. There are no payments or gifts to respondents.

10. There is no need for confidentiality with this collection of information.

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

12. We estimate that no more than 10 FCC Form 1220s are filed annually with LFAs.

Cable operators will use in-house staff to complete approximately 50% of the filings. The average burden to complete FCC Form 1220 is estimated to be 80 hours. Cable operators will use outside assistance to complete the remaining 50% of the filings, undergoing a burden of 4 hours per filing to coordinate information with the outside assistance.

LFAs will review approximately 10 FCC Form 1220 filings per year at an average burden of 80 hours per filing.

Total Number of Annual Respondents: 10 cable operators + 10 LFAs = **20 respondents.**

Total Number of Annual Responses:

10 cable operators each filing 1 Form 1220 annually = **10 responses.**

Annual Burden Hours:

Burden for cable operators:

5 (50% of 10) filings completed with in-house staff x 80 hours per filing = 400 hours
5 (50% of 10) filings coordinated with outside assistance x 4 hours per filing = 20 hours
420 hours

Burden for LFAs:

10 filings received x 80 hours per filing review = 800 hours

Total Annual Burden Hours: 420 hours + 800 hours = **1,220 hours.**

Total Annual "In-House" Costs: 420 hours x \$250.00/hour = **\$105,000.**

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

13. **Annual Cost Burden:** Cable operators will employ outside assistance at \$250 per hour to complete

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five (5) FCC Form 1220 filings.

a) Total annualized capital or start up costs: None.

b) Total annual (operation and maintenance) costs: 5 filings x 80 hours x \$250 per hour = \$100,000.

c) Total annualized cost requested: \$100,000.

14. There is no cost to the Federal Government.

15. There are no program changes to this information collection.

16. The results of this information collection requirement are not planned to be published.

17. We seek approval not to display the form's expiration date on this information collection.

18. There are no other exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods

No statistical methods are employed.