

## SUPPORTING STATEMENT

**Introduction:** The Commission seeks an extension (no change in the reporting and/or third party disclosure requirements) in order to obtain the full three-year clearance from OMB.<sup>1</sup> There is a 451 hour burden reduction adjustment which is due to revised estimates because over time requests for location information would diminish. This is because requests for location information would have already been made at most buildings. Also, this 2013 extension request revises the title of OMB Control No. 3060-0975 from “Sections 68.3 and 1.4000, Promotion of Competitive Networks in Local Telecommunications Markets Multiple Tenant Environments (MTEs)” to “Sections 68.105 and 1.4000, Promotion of Competitive Networks in Local Telecommunications Markets Multiple Tenant Environments (MTEs).” Although section 68.3 defines the demarcation point, the information requirements on carriers regarding the location of the demarcation point are located in Section 68.105.

### **A. Justification:**

1. In an October 2001 Order, FCC 00-366, the Commission adopted the following: 1) prohibited carriers from entering into contracts that restrict or effectively restrict a property owner's ability to permit entry by competing carriers; 2) established procedures to facilitate moving the demarcation point to the minimum point of entry ("MPOE") at the building owner's request, and requires incumbent local exchange carriers ("LECs") to timely disclose the location of existing demarcation points where they are not located at the MPOE; 3) determined that, under Section 224 of the Communications Act, utilities, including LECs, must afford telecommunications carriers and cable service providers reasonable and nondiscriminatory access to conduits and rights-of-way located in customer buildings and campuses, to the extent such conduits and rights-of-way are owned or controlled by the utility; and 4) extended to antennas that receive and transmit telecommunications and other fixed wireless signals the existing prohibition of restrictions that impair the installation, maintenance or use of certain video antennas on property within the exclusive use or control of the antenna user, where the user has a direct or indirect ownership or leasehold interest in the property.

**a.** The demarcation point burden consists of two components: (1) the LEC shall make available information on the location of the demarcation point within ten business days of a request from the premises owner (location information); and (2) at the time of installation, the LEC shall fully inform the premises owner of its options and rights

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<sup>1</sup> On October 25, 2000, Federal Communications Commission released a First Report and Order and Further Notice of Proposed Rulemaking in WT Docket No. 99-217, Fifth Report and Order and Memorandum Opinion and Order in CC Docket No. 96-98, and Fourth Report and Order and Memorandum Opinion and Order in CC Docket No. 88-57 ("the Order"), to foster competition in local communications markets by implementing measures to ensure that competing telecommunications providers are able to provide services to customers in multiple tenant environments ("MTE").

regarding the placement of the demarcation point or points (options information). These information requirements are codified in 47 C.F.R. § 68.105.

**b.** The OTARD portion of this information collection relates to the revisions of the Commission's rules regarding Over-the-Air Reception Devices ("OTARDs"), 47 C.F.R. § 1.4000. Under these revisions, as a condition of invoking protection under 47 C.F.R. § 1.4000 from government, landlord, and association restrictions, a licensee must ensure that subscriber antennas are labeled to give notice of potential radio frequency safety hazards of these antennas. Labeling information should include minimum separation distances required between users and radiating antennas to meet the Commission's radio frequency exposure guidelines. Labels should also include reference to the Commission's applicable radio frequency exposure guidelines and should use the ANSI-specified warning symbol for radio frequency exposure. In addition, the instruction manuals and other information accompanying subscriber transceivers should include a full explanation of the labels, as well as a reference to the applicable Commission radiofrequency exposure guidelines. *See* para. 118 of Order.

The availability of this information will give notice to the public - particularly to purchasers of OTARD dishes - of potential radiofrequency safety hazards of OTARD antennas used for telecommunications service. Thus, this information will help to ensure that these antennas comply with the Commission's limits on radio frequency exposure.

The Commission is requesting an extension for this submission in order to obtain the full three-year clearance from OMB.

Statutory authority for this information collection is contained in the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56 codified at 47 U.S.C. § 151 *et seq.* (1996 Act).

As noted on the Form OMB 83-I, this collection of information does not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. This information will facilitate efficient interaction between premises owners and LECs regarding the placement of the demarcation point, which marks the end of wiring under control of the LEC and the beginning of wiring under the control of the premises owner or subscriber. The demarcation point is a critical point of interconnection where competitive LECs can gain access to the inside wiring of the building to provide service to customers in the building. This collection will also help ensure that customer-end antennas used for telecommunications service comply with the Commission's limits on radiofrequency exposure, and it will provide the Commission with information on the state of the market. In short, this information will be used to foster competition in local telecommunications markets by ensuring that competing telecommunications providers are able to provide services to customers in multiple tenant environments.

3. Prior to finalizing rulemakings, the Wireless Telecommunications Bureau conducts an analysis to ensure that improved information technology cannot be used to reduce the burden on

the public. This analysis considers the possibility of obtaining and/or computer-generating the required data from existing data bases in the Commission or other federal agencies.

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

5. In conformance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize the burden on all respondents, regardless of size. The Commission has limited the information requirements to those absolutely necessary for evaluating and processing applications and to deter against possible abuses.

6. Each component of the demarcation point information collection is required only once for each premises served, upon request of the premises owner or at the time the wiring is installed. The OTARD information collection is required once for each antenna, at the time of installation. The market data information collection is also required only once, in connection with the Commission's rulemaking process. Accordingly, less frequent collection of the information is not possible.

7. As described in paragraph 1a of the supporting statement, LECs are required to make available information on the location of the demarcation point within 10 business days of a request from the premises owner (location information); and also at the time of installation, the LEC shall fully inform the premises owner of its options and rights regarding the placement of the demarcation point or points (options information).

8. The FCC initiated a 60-day notice public comment period which was published in the Federal Register on March 26, 2013 (78 FR 18338). No PRA comments were received.

9. Respondents will not receive any payments of gifts from the Commission.

10. There is no need for confidentiality.

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

12. This collection consists of two components:

**a. Demarcation Point Hour Burden (47 CFR § 68.3):**

Number of respondents: According to a CCB Year 2000 study, 1,348 incumbent carriers reported that they were engaged in the provision of local exchange service. Although the demarcation point obligations could apply to competitive LECs as well (and probably will have more application in the future), at this time the demarcation point obligations primarily apply to incumbent LECs, since incumbent LECs are far more likely to control inside wiring in MTEs.

Location information: At the time of the initial PRA submission, we estimated the total number of MTEs to be 1,750,000. We also estimated that requests for location

information would be made in approximately half of the buildings, or 875,000, and that each respondent would require half an hour to acquire information on location of the demarcation point. Thus, 875,000 buildings multiplied by .5 hours = 437,500 hours. We anticipated that this annual burden would decrease in a few years because by that time the request for location information would have already been made at most buildings.

At the time of renewal in 2004, we estimated that the request would be made at one quarter of the remaining buildings or 218,750 buildings. Thus, 218,750 x .5 hours = 109,375 hours. For 2007, we estimated that the request would be made at one quarter of the remaining 656,250 buildings, or 164,063 buildings. 164,063 x .5 hours = 82,032 hours. For 2010, we estimated that the requests would be made at one quarter of the remaining 492,187 buildings, or 123,047 buildings. Thus, the predicted hours were 123,047 x .5 = 61,524 hours.

For 2013, we continue our established methodology to account for the likely gradual falling off of these inquiries over time. Accordingly, we estimate that there are 369,140 remaining buildings where no inquiry concerning the demarcation point has yet been made. We further estimate that 25 percent of landlords of those remaining buildings will seek this information, for a total of 92,285 requests. We continue to estimate that each respondent carrier will require half an hour to provide information on location of the demarcation point. Thus, the predicted hours are 92,285 x .5 = **46,143 hours**.

Table for 3060-0975 burden hours

3060-0975: Inquiries regarding location of the demarcation point.	Approx. number of buildings where landlords lack location information.	Predicted percent of buildings where landlords will seek location information.	Predicted number of buildings where landlords will seek location information.	Remaining number of buildings where landlords will lack location information.
2001	1,750,000	50 percent	875,000	875,000
2004	875,000	25 percent	218,750	656,250
2007	656,250	25 percent	164,063	492,187
2010	492,187	25 percent	123,047	369,140
2013	369,140	25 percent	92,285	276,855

Options information: LECs must explain a landlord’s options with regard to location of the demarcation point at the time of installation of the wiring. Thus, the obligation would only apply in new or rewired buildings. We estimate that the number of new or rewired MTEs in any year will equal ten percent of the number of existing MTEs, or 175,000. We anticipate that it will take .5 hours to present options. Thus, 175,000 buildings multiplied by .5 hours = **87,500 hours**.

**46,143 hours** (location information) + **87,500 hours** (options information) = **133,643**

## hours

We continue to estimate that a respondent carrier's in-house administrative staff will be able to tell an MTE landlord where the demarcation point is currently located, or, in the case of new or rewired buildings, explain the optional locations for the demarcation point or points. Since 2001 we have estimated the approximate wage for in-house administrative staff at \$20 per hour. Taking inflation into account, we now revise our in-house labor estimate to \$26. See <http://www.westegg.com/inflation/infl.cgi> (showing \$20. in 2001 = \$25.92 in 2012).

Respondents Total Demarcation Point Information Cost in dollars:

133,643 at \$26 per hour = **\$3,474,718**

### **b. OTARD Hour Burden (47 CFR § 1.4000):**

We estimate that there will be 6,019 respondents. The burden of this requirement is for licensees who provide telecommunications service to OTARD antennas. This includes all Multipoint Distribution Service (MDS), 3650 MHz Service, Very Small Aperture Terminal Satellites (VSAT), and Direct Broadcast Satellites (DBS) licensees. In addition, we estimate that ten percent of licensees of fixed microwave systems are designed to provide telecommunications service to OTARD antennas. The total estimated number of licensees with fixed microwave systems is 8,428; thus, ten percent of these licensees (that is, the approximate number of licensees with systems designed for providing telecommunications service to OTARD antennas) is 843. The estimated number of entities affected is as follows: 1,729 (BRS) + 2,245 (3650) + 349 (VSAT) + 5 (DBS) + 843 (Fixed Microwave) = 6,019 respondents.

We estimate that the tasks described above will take each respondent 10 hours. We assume that each respondent will provide service to a large number of customer-end antennas, but will be able to centralize the production of labels and instruction manual inserts, thus taking advantage of economies of scale.

6,019 (respondents) x 10 (hrs. per response) = **60,190 hours**

Respondents Total OTARD Tasks Cost in dollars:

60,190 (respondents) x \$26 per hour = **\$1,564,940**

### **TOTAL 3060-0975 Burden Hours:**

47 CFR § 68.3 Demarcation Point Hour Burden (**133,643 hours**)

+ 47 CFR § 1.4000 OTARD Hour Burden (**60,190**) = **193,833 HOURS.**

### **TOTAL 3060-0975 In-house Burden Hours in Dollars:**

47 CFR § 68.3 Demarcation Point in-house cost burden (\$3,474,718)

+ 47 CFR § 1.4000 OTARD in-house cost burden (\$1,564,940) = **\$5,039,658.**

13. There is no cost burden to respondents or recordkeepers resulting from the collection of information other than the hour burden and cost reported in Item 12. In particular, there is neither a capital and start-up cost, nor an operation, maintenance, and purchase of services cost.

14. There is no cost to the Federal Government.

15. We are adjusting the annual burden hours by 451 hours. This adjustment is because over time requests for location information would have already been made at most buildings. Therefore, the total annual burden has decreased due to fewer respondents.

16. The data will not be published for statistical use.

17. The Commission is not requesting OMB approval to not display the OMB expiration date. These requirements are contained in rules and therefore display is not appropriate. However, the Commission “displays” all OMB-approved information collections, along with their appropriate OMB control number, OMB expiration date and title(s) in 47 CFR 0.408 of the Commission’s rules.

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

**B. Collections of Information Employing Statistical Methods:**

No statistical methods are employed.