

SUPPORTING STATEMENT

A. Justification:

1. *Circumstances that make the collection necessary.* The Communications Act of 1934, as amended requires the “preservation and advancement of universal service.” The information collection requirements reported under this revised collection are the result of various Commission actions to promote the Act’s universal service goals, while minimizing waste, fraud, and abuse.

In November 2011, the Commission adopted an order reforming its high-cost universal service support mechanisms. *Connect America Fund; A National Broadband Plan for Our Future; Establish Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order*).

As part of the *USF/ICC Transformation Order*, the Commission adopted several subsequent Orders for implementing the Connect American Phase I and Phase II funding:

On May 16, 2013, the Commission adopted a second *Connect America Fund*, Report and Order, WC Docket No. 10-90, DA 13-1113. The Report and Order set forth the format and substance of the submissions carriers must make to elect Phase II funding through the state-level commitment process. Additionally, this Report and Order established the parameters for the Connect America Phase II challenge process. These parameters included requirements for what parties must submit to the Commission when making a challenge, as well as the form that parties must use in making any challenges.

On May 21, 2013, the Commission adopted a third *Connect America Fund*, Report and Order, WC Docket No. 10-90, FCC 13-73. This Report and Order provided for a second round of Connect America Phase I support and specified what certifications and reporting requirements carriers must comply with if electing to accept second round support.

These Orders contained information collection requirements for which the Commission received OMB approval following an emergency request in a Notice of Action on July 9, 2013.

Then on July 15, 2013, the Commission adopted the *Connect America Fund*, Order on Reconsideration, WC Docket No. 10-90, FCC 13-97, which modified a reporting requirement contained in the May 21, 2013 Report and Order. The Order on Reconsideration made mandatory the reporting of changes in deployment locations involving census blocks that were not previously identified. This reporting had previously been optional under the original Report and Order.

This revised information collection addresses these additional requirements to carry out the programs set forth in the *USF/ICC Transformation Order*. This submission also includes an extension of the certifications related to second round Phase I funding and the requirements contained in FCC Form 505, “Connect America Phase II Challenge Process Form.” Additionally, this submission makes non-substantive edits to Form 505 and its instructions.

New requirements being proposed in this information collection:

Connect America Challenge Process and Certification, FCC Form 505a. Geocoded Information for Phase I Two- and Three-Year Milestone Reports

Carriers under Connect America Phase I are required to deploy to a set number of locations to satisfy the obligation attached to any funding they elect to receive. Two and three years after accepting funding, recipients of Connect America Phase I funding are required to file reports on their progress toward meeting their obligations. 47 C.F.R. § 54.313(b). The Commission recently required that these reports include the geocoded information for each location to which a carrier deploys in meeting its Phase I obligations. Geocoded locations are necessary for the Commission to verify that carriers have in fact deployed to the number of locations claimed. *Connect America Fund*, WC Docket 10-90, Report and Order, FCC 13-73 (May 22, 2013).

For each location to be counted toward satisfaction of the carrier's deployment obligation, the recipient must report the following information in its two- and three-year milestone reports:

- (a) The location's census block information is based on the Federal Information Processing Standard (FIPS) code,
- (b) The carrier's NECA-assigned operating company code (OCN),
- (c) The carrier's study area code (SAC),
- (d) The wire center's eight-digit Common Language Location Identified (CLLI) code,
- (e) The latitude (to six decimal places), and
- (f) The longitude (to six decimal places).

If two locations have identical latitude and longitude coordinates (*e.g.*, two apartments that are vertically aligned), recipients should note these situations and provide an explanation for the duplication.

b. Broadband Initiatives Program/Broadband Technology Opportunities Program Annual Milestone Reports

Phase I funding recipients are prohibited from satisfying their deployment obligations by deploying to locations that are already or will be served by the Broadband Initiatives Program (BIP) or the Broadband Technology Opportunities Program (BTOP). This requirement promotes efficient use of government funds by ensuring that two government programs do not pay for broadband to be deployed to the same location. To ensure that carriers abide by the restriction on building to BIP and BTOP locations, the Commission proposes to require carriers to certify in annual milestone reports that, to the best of the recipient's knowledge, the locations in question are not receiving support under BIP or BTOP for projects that will provide broadband with speeds of at least 4 Mbps downstream and 1 Mbps upstream. 47 C.F.R. § 54.313(b)(2)(i).

c. Phase I Investment Annual Milestone Reports

Connect America Phase I involves the investment of hundreds of millions of dollars of government funding. It is necessary for carriers to report on where those funds are being used to ensure proper oversight. To that end, Phase I funding recipients are required to report annually the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of

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census blocks where funding was spent. 47 C.F.R. § 54.313(b)(2)(ii). This information will allow the Commission to track where funding is spent and ensure that funds are used for proper purposes.

d. Changes in Phase I Deployments

Connect America Phase I recipients are permitted to deviate from their initially reported deployment plans. However, in doing so, they are required to report the change to the Commission, the Universal Service Administrative Company (USAC or Administrator), relevant state commissions, and any affected Tribal government. 47 C.F.R. § 54.312(b)(3).

- (a) Changes that involve a decision not to deploy to a previously identified census block must be reported prior to filing the final deployment certification under 47 C.F.R. § 54.313(b)(2).
- (b) Changes that involve deploying to census blocks that were not identified previously must be reported at least 90 days prior to deployment. The Commission will publicly announce these changes.
- (c) No sooner than 46 days after this public announcement, but prior to commencing construction, if the carrier is deploying to census blocks not identified previously, the carrier must make all certifications that would have been required had the carrier elected to deploy to that census block when it initially accepted support. *Connect America Fund*, WC Docket No. 10-90, Order on Reconsideration, FCC 13-97 (July 16, 2013).

The requirement to report updated Phase I deployment plans serves two purposes:

First, it allows the Commission to verify that the locations in question are eligible for Phase I support prior to deployment.

Second, it gives existing broadband providers an opportunity to inform the Phase I recipient that the providers are already serving the census blocks in question. Thus, this reporting requirement ensures that Connect America Phase I funds are spent only in eligible areas, helping to guarantee that government funds are used effectively to bring broadband to as many eligible unserved locations as possible.

e. Connect America Phase II State-Level Commitment Elections

Incumbent price cap carriers are given an opportunity to accept Phase II support for all areas they serve in a given state, in exchange for making a commitment to provide a certain level of service to those areas. A carrier may accept or decline support through its Phase II election:

- (a) If a carrier is accepting funding, it must submit a letter signed by an officer of the company declaring that the carrier accepts the support amount and commits to satisfy the service obligations for Phase II. The carrier must also acknowledge that if it fails to meet its service obligations, it will be subject to penalties and/or enforcement actions, as specified by the Commission. If the Commission ultimately decides to require a letter of credit or other form of security for Phase II elections, such security must be submitted along with the election letter.
- (b) A carrier may decline Phase II support by submitting a letter signed by an officer of the company noting that it does not accept Phase II support for a given state. *Connect America Fund*, WC Docket No. 10-90, Report and Order, DA 13-1113 (Wireline Comp. Bur. May 16, 2013).

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The submission of an election letter is necessary for the Commission to determine what Phase II support should be distributed. Requiring the acknowledgement of service obligations will ensure that carriers have affirmative knowledge of what burdens they take on as a result of electing to accept Phase II support.

Extension of currently approved requirements:f. Connect America Fund Phase I Certifications

Phase I of the Connect America Fund provides a substantial amount of support to price cap carriers in exchange for a commitment to deploy broadband-capable infrastructure to areas currently lacking broadband. To prevent waste, fraud, and abuse in the program, carriers are required to certify in various ways that the funds they received are spent only in areas eligible for funding. In the Commission's recent Report and Order implementing a second round of Phase I support, carriers are required to make several certifications related to their public interest obligations. *Connect America Fund*, WC Docket 10-90, Report and Order, FCC 13-73 (May 22, 2013).

The following certifications apply only to Phase I funds accepted in 2013 or later. They do not apply to Phase I funding accepted in 2012. Renewal of these certifications is necessary in the event that recipients make changes to their Connect America Phase I deployment plans. If a recipient intends to deploy to a location that it had not identified previously, it is required to make all the Phase I certifications. Under the current schedule for Phase I, recipients could make changes to deployment plans as late as 2016.

All Phase I recipients must certify:

- 1) that the locations to be served are not shown as already served by either 768 kbps /200 kbps Internet service or 3 Mbps/768 kbps Internet service;
- 2) that to the best of the carrier's knowledge, the locations are in fact unserved by 768 kbps /200 kbps Internet service or 3 Mbps/768 kbps Internet service, as appropriate;
- 3) the carrier's current capital improvement plan did not already include plans to complete broadband deployment within the next three years to the locations to be counted to satisfy the deployment obligation;
- 4) incremental support will not be used to satisfy any merger commitment or similar regulatory obligation; and
- 5) the carrier has undertaken due diligence to determine the locations in question are not within the service area of either BIP or BTOP projects that will provide Internet access with speeds of at least 3 Mbps downstream and 768 upstream.

Any Phase I recipient that wishes to satisfy its Phase I deployment obligations by building in census blocks that are or will receive funding through BIP or BTOP must certify to the Commission that the particular locations its plans to serve will not receive funding under BIP or BTOP.

Any Phase I recipient that wishes to satisfy its Phase I deployment obligations by building to locations in its own service territory shown on the National Broadband Map as served by 3 Mbps/768 kbps must specify those particular locations and certify to the Commission that those locations are currently served from a copper-fed digital subscriber line access multiplexer (DSLAM) and the carrier is the only entity offering 3 Mbps/768 kbps or better service to that location.

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Any Phase I recipient that wishes to satisfy its Phase I deployment obligations by building to locations shown as served by 768 kbps/200 kbps Internet service but unserved by 3 Mbps/768 kbps Internet service must certify that it has accepted funding for all projects or routes to locations unserved by 768 kbps/200 kbps Internet service that can be economically reached using \$775 in Connect America funding plus an equal amount of non-Connect America carrier capital expenditure funding.

To the extent a carrier has multiple routes for which it would be economic to extend service with a one-for-one match of Connect America funding, it must certify that it has prioritized routes so as to maximize the number of newly served locations that currently are unserved by 768 kbps/200 kbps Internet service. Such carriers must also identify the number of locations to which they intend to build that are unserved by 768 kbps/200 kbps and the number of locations to which they intend to build that are served by 768 kbps/200 kbps but unserved by 3 Mbps/768 kbps. Carriers must also submit a list of census blocks unserved by 3 Mbps/768 kbps or 768 kbps/200 kbps, as appropriate, where they intend to deploy to meet their buildout obligation.

g. Connect America Fund Phase II Challenge Process

The Wireline Competition Bureau of the Commission set forth a challenge process by which carriers could contest the status of census blocks as shown on the National Broadband Map. *Connect America Fund*, WC Docket No. 10-90, Order, DA 13-1113, at paras. 4-22 (Wireline Comp. Bur. May 16, 2013). Although this challenge process is a one-time requirement, it is possible that the challenge process will extend past the current approval's deadline of January 31, 2014. It is therefore necessary to seek OMB approval to extend this requirement.

All parties wishing to raise a challenge or respond to a challenge must file their challenge with the Bureau using FCC Form 505. Parties must submit their name, FCC Registration number (if applicable), the name, mailing address, e-mail address, and phone number of the person filling out the challenge form. Parties must also submit a certification that all information in the form is correct to the best of their knowledge, and include the name, e-mail address, and phone number of the person making that certification.

Parties challenging that a census block shown as served is in fact unserved must submit the Federal Information Processing Standard (FIPS) code for the block, the state the block is located in, the name of any provider shown as providing disqualifying service to that block, an indication of what criteria of service the challenger believes is not being met, an indication of what type of evidence supports the challenge, and any additional comments believed to be necessary. Parties must also certify that they engaged in due diligence to verify their claims and submit as attachments any evidence supporting the challenge.

Parties challenging that a census block that is shown as unserved is in fact served must submit the FIPS code for the block, the state the block is located in, the name of the entity that provides service, the FCC Registration Number of the party filing the challenge (if the party filing the challenge is also the entity providing service), a certification that the census block is served by unsubsidized broadband and voice services meeting the Commission's performance and pricing criteria, an indication of what type of evidence supports the challenge, and any additional comments believed to be necessary. Parties must also submit as attachments any evidence supporting the challenge.

Parties making a challenge also are required to serve a copy of their challenge on the challenged party, or certify that such service was completed or that a good faith effort was made to provide such service.

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Parties responding to a challenge must submit the FIPS code for the block, the state the block is located in, the name of the entity that made the initial challenge and its FCC Registration Number (if provided), an indication as to what performance or pricing criteria is at issue, an indication of what type of evidence supports the challenge, and any additional comments believed to be necessary. Parties must also submit as attachments any evidence supporting the response.

FCC Form 505 Non-substantive Revisions:

OMB has approved FCC Form 505 for use in the Phase II challenge process. The Commission proposes minor, non-substantive changes to FCC Form 505 and the accompanying instructions.

- (a) For Form 505, the Commission proposes to add the OMB control number and make various cosmetic changes.
- (b) For the instructions to Form 505, the proposes to clarify the definition of “unsubsidized competitor” to more closely reflect the Wireline Competition Bureau’s authority. In addition, the OMB control number has been added and various typographical errors corrected.

None of these changes will impact the reporting burden on parties submitting FCC Form 505.

Statutory authority for this information collection is contained in 47 U.S.C. sections 151, 154(i)–(j), 155, 201(b), 214, 218-220, 254, and 1302 of the Communications Act of 1934, as amended.

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

2. *Use of information.* The Commission will use the information collections to conduct oversight and ensure that Connect America funds are spent in accordance with the rules of the program and to determine what areas should be eligible for Phase II support.
3. *Technological collection techniques.* In an effort to reduce any burden created by these information collection requirements, the Commission shall permit all respondents to file responses using automated, electronic, mechanical or other technological collection techniques where feasible.
4. *Efforts to identify duplication.* There will be no duplication of information. The information sought is unique to each carrier or party and similar information is not already available. The Commission is using already established reporting and recordkeeping requirements to satisfy certain statutory directives and eligibility criteria.
5. *Impact on small entities.* The requirements related to Phase I and the Phase II elections will not impact any small entities; only price cap carriers are subject to those collections, and no price cap carriers currently qualify as small entities. The Phase II challenge process may impact small entities; however, the impact will likely not be substantial nor will it affect a significant number of small entities. The process has been designed as far as possible to limit the burden on small entities. In addition to various substantive provisions in the rules for the challenge process, forms are made available to assist small entities in understanding what type of information should be submitted.
6. *Consequences if information is not collected.* The information collected is used to ensure compliance with the deployment requirements of Phase I and to determine what areas should receive Phase II support. Without the submission of location information or funding usage, the Commission would be unable to

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verify that recipients had met their Connect America deployment obligations. Without the Phase I certifications, Phase I funds could be used to deploy to areas that are not eligible for funding, resulting in a waste of federal funds. Phase II elections are necessary to determine which carriers have chosen to receive support. Without the Phase II challenge process information, funding may be allocated to areas that already have an unsubsidized competitor, resulting in a waste of federal funds, or funding might be incorrectly withheld from an area based on an erroneous belief that the area is already served, frustrating the Commission's goal of deploying broadband-capable networks to unserved areas.

7. *Special circumstances.* We do not foresee any special circumstances that would cause an information collection to be conducted under extraordinary circumstances.
8. *Federal Register notice; efforts to consult with persons outside the Commission.* A 60-day notice was published in the *Federal Register* pursuant to 5 C.F.R. § 1320.8(d) on October 28, 2013 (78 FR 64212). No PRA comments were received.
9. *Payments or gifts to respondents.* The Commission does not anticipate providing any payment or gifts to respondents.
10. *Assurances of confidentiality.* The Commission is not requesting respondents to submit confidential information to the Commission. However, respondents may request materials or information submitted to the Commission or to the Administrator be withheld from public inspection under 47 C.F.R. § 0.459 of the FCC's rules. We note that USAC must preserve the confidentiality of all data obtained from respondents; must not use the data except for purposes of administering the universal service programs; and must not disclose data in company-specific form unless directed to do so by the Commission.
11. *Questions of a sensitive nature.* There are no questions of a sensitive nature with respect to the information collections described herein.
12. *Estimates of the hour burden of the collection to respondents.* The following represents the hour burden on the collections of information:

New requirements being proposed in this information collection:

a. Geocoded Information for Phase I Two- and Three-Year Milestone Reports:

- (1) Number of respondents: Approximately 13. Only price cap carriers that elect to receive Phase I funding must complete these reports.
- (2) Frequency of response: Annually. Each price cap carrier accepting funding must file the reports annually after accepting support.
- (3) Annual hour burden per respondent: 6 hours per respondent for 13 carriers filing on an occasional basis. Total annual hour burden is calculated as follows:

13 respondents x 1 report per respondent = 13 responses x 6 hours = **78 total annual hours.**
- (4) Total estimate of annualized cost to respondents for the hour burden: \$3,120. (78 hours x \$40/hr.).
- (5) Explanation of calculation: We estimate that each Phase I funding recipient will take 6 hours to gather and submit the geocoded locations information to the Commission:

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13 (number of respondents) x 6 (hours to prepare report) x \$40/hr. (attorney, administrative staff time and overhead) = \$3,120.

b. Broadband Initiatives Program/Broadband Technology Opportunities Program Annual Milestone Reports:

- (1) Number of respondents: Approximately 13. Only price cap carriers that elect to receive Phase I funding must complete these reports.
- (2) Frequency of response: Annually. Each price cap carrier accepting Phase I funding must file the certification in its annual report.

- (3) Annual hour burden per respondent: 3 hours per respondent for 13 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

13 respondents x 1 report per respondent = 13 responses x 3 hours = **39 total annual hours**. Carriers are required at the time of accepting funding to certify that an area is not served by BIP or BTOP projects.

Only minimal effort should be required to verify and certify that those initial certifications remain true.

- (4) Total estimate of annualized cost to respondents for the hour burden: \$1,560. (39 hours x \$40/hr.).
- (5) Explanation of calculation: We estimate that each Phase I funding recipient will take 3 hours to analyze and certify to the necessary information and submit those certifications to the Commission.

13 (number of respondents) x 3 (hours to prepare certifications) x \$40/hr. (attorney, administrative staff time and overhead) = \$1,560.

c. Phase I Investment Annual Milestone Reports:

- (1) Number of respondents: Approximately 13. Only price cap carriers that elect to receive Phase I funding must complete these certifications.
- (2) Frequency of response: Annually. Each price cap carrier accepting funding must annually report the amount of funding used in the prior year, and report where that funding was used.

- (3) Annual hour burden per respondent: 20 hours per respondent for 13 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

13 respondents x 1 report per respondent = 13 responses x 20 hours = **260 total annual hours**.

- (4) Total estimate of annualized cost to respondents for the hour burden: \$10,400. (260 hours x \$40/hr.).
- (5) Explanation of calculation: We estimate that each Phase I funding recipient will take 20 hours to gather information related to Phase I investments and report the necessary information to the Commission.

13 (number of respondents) x 20 (hours to prepare reports) x \$40/hr. (attorney, administrative staff time and overhead) = \$10,400.

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d. Changes in Phase I Deployments:

- (1) Number of respondents: Approximately 13. Only price cap carriers that elect to receive Phase I funding and decide to deviate from initial deployment plans would be required to file updated deployment plans.
- (2) Frequency of response: Occasionally. Each carrier is required to report changes whenever it seeks to deviate from its initial Phase I deployment plans.
- (3) Annual hour burden per respondent: 6 hours per respondent for 13 carriers filing on an occasional basis. Total annual hour burden is calculated as follows:

13 respondents x 1 report per respondent = 13 responses x 6 hours = **78 total annual hours.**

Of these 78 hours, the Commission believes that:

Reporting: 77 hours are to prepare the deployment report changes

3rd Party Disclosure: 1 hour is to notify the other existing broadband providers of these changes

The hour burden may vary depending on the extent to which a carrier varies from its original plan.

- (4) Total estimate of annualized cost to respondents for the hour burden: \$3,120. (78 hours x \$40/hr.).
- (5) Explanation of calculation: We estimate that each Phase I funding recipient will take 6 hours to analyze and submit any updates to its deployment plans.

13 (number of respondents) x 6 (hours to prepare certifications) x \$40/hr. (attorney, administrative staff time and overhead) = \$3,120.

e. Connect America Phase II State-Level Commitment Elections:

- (1) Number of respondents: Approximately 13. Only price cap carriers are eligible to elect to receive Phase II support through a state-level commitment.
- (2) Frequency of response: Occasionally. Carriers would make a one-time election of Phase II support.
- (3) Annual hour burden per respondent: 6 hours per respondent for 13 carriers filing on an occasional basis. Total annual hour burden is calculated as follows:

13 respondents x 1 certification per respondent = 13 responses x 6 hours = **78 total annual hours.**

The hour burden may vary depending on the extent to which a carrier varies from its original plan.
- (4) Total estimate of annualized cost to respondents for the hour burden: \$3,120. (78 hours x \$40/hr.).
- (5) Explanation of calculation: We estimate that each Phase I funding recipient will take 6 hours to make and submit its election. 13 (number of respondents) x 6 (hours to prepare submission) x \$40/hr. (attorney, administrative staff time and overhead) = \$3,120.

Connect America Challenge Process and Certification, FCC Form 505*Extension of currently approved requirements:***f. Connect America Phase I Certifications:**

- (1) Number of respondents: Approximately 13. Only price cap carriers that elect to receive Phase I funding must complete these certifications.
- (2) Frequency of response: Occasionally. Each price cap carrier accepting funding must file the appropriate certifications in connection to its acceptance of Phase I funding. A carrier will only make the certification once (at the time of acceptance), except in circumstances where a carrier may need to update or amend its certifications, such as if it deviates from its initial deployment plan.
- (3) Annual hour burden per respondent: 20 hours per respondent for 13 carriers filing on an occasional basis. Total annual hour burden is calculated as follows:

13 respondents x 1 election per respondent = 13 responses x 20 hours, = **260 total annual hours.**

The hour burden may vary depending on which types of deployment a carrier undertakes (i.e., whether it chooses to deploy to BIP/BTOP census blocks, locations already served by 768/200 kbps but not 3 Mbps/768 kbps, and/or locations already served by 3 Mbps/768 kbps through a copper fed DSLAM). Different types of deployment will require additional certifications.

- (4) Total estimate of annualized cost to respondents for the hour burden: \$10,400. (260 hours x \$40/hr.).
- (5) Explanation of calculation: We estimate that each Phase I funding recipient will take 20 hours to analyze and certify to the necessary information and submit those certifications to the Commission.

13 (number of respondents) x 20 (hours to prepare elections) x \$40/hr. (attorney, administrative staff time and overhead) = \$10,400.

g. Connect America Phase II Challenges and Responses (FCC Form 505):

- (1) Number of respondents: Approximately 100 respondents. We anticipate that 100 parties will file challenges or responses to challenges in connection with the Phase II challenge process. When the Commission previously sought comment on updates to the National Broadband Map for purposes of determining unserved areas for Phase I of Connect America, approximately 60 comments and replies were received. The Commission expects some growth as compared to this figure due to the higher amount of funding available in Phase II and due to the fact that more criteria are used in determining whether an area is served under Phase II than in Phase I.
- (2) Frequency of response: Occasionally. The Phase II challenge process is a one-time event. Some parties may file more than once, serving as both a challenger and as a respondent.
- (3) Annual hour burden per respondent: 10 hours. Total annual hour burden is:

10 hours x 100 respondents = **1,000 hours.**

Of these 1,000 hours, the Commission believes that:

Reporting: 998 hours are to prepare the challenges or responses to challenges

3rd Party Disclosure: 2.0 hours are to notify the other respondents of these changes

(4) Total estimate of annualized cost to respondents for the hour burden: \$40,000. (100 hours x \$40/hr.).

(5) Explanation of calculation. We estimate that each party will take 10 hours preparing and submitting its challenge or response.

100 (number of respondents) x 10 (hours to prepare certification letter) x \$40/hr. (attorney, administrative staff time and overhead) = \$40,000.

The estimated respondents and responses and burden hours are listed below:

Information Collection Requirements	Number of Respondents	Number of Responses Per Year	Estimated Time per Response (hours)	Total Burden Hours	In-house Office and Overhead Costs
<i>New requirements</i>					
<u>a. Geocoded Information for Phase I Two- and Three-Year Milestone Reports</u>	13	13	6	78	\$3,120.00
<u>b. Broadband Initiatives Program/ Broadband Technology Opportunities Program Annual Milestone Reports</u>	13	13	3	39	\$1,560.00
<u>c. Phase I Investment Annual Milestone Reports</u>	13	13	20	260	\$10,400.00
<u>d. Changes in Phase I Deployments</u>	13	13	6	78	\$3,120.00
<u>e. Connect America Phase II State-Level Commitment Elections</u>	13	13	6	78	\$3,120.00
		65	3 – 20	533	\$21,320.00
<u>Total for New Requirements:</u>	65				

Currently approved requirements

<u>f. Connect America Phase I Certifications</u>	13	13	20	260	\$10,400.00
<u>g. Connect America Phase II Challenges and Responses</u>	100	100	10	1,000	\$40,000.00
Total Currently Approved Requirements:	113	113	10 – 20	1,260	50,400.00
CUMMULATIVE TOTALS:	178	178	3-20	1,793	\$71,720.00

Total Number of Respondents: 178.

Total Number of Responses Annually: 178.

Total Annual Hourly Burden for requirements: 1,793 hours, of which:

95% of the hourly burden is for responses: 1,739 hours

5% of the hourly burden is for 3rd party disclosure: 54 hours

Based on this burden allocation, we estimate for each respondent groups:

	<u>Respondents</u>	<u>Reporting</u>	<u>3rd Party Disclosure</u>
90% are Businesses and other for-profit entities:	160	1,565 hours	48 hours
5% are Institutions and other not-for-profits:	9	87 hours	3 hours
5% are State, Local, or Tribal Governments:	9	87 hours	3 hours
Totals	178	1,739 hours	54 hours

Total Annual “In House” Costs: \$71,720.

13. *Estimates for the cost burden of the collection to respondents.* There are no outside contracting costs for this information collection. See the last column in the chart in item 12 above for the estimated in-house costs.
14. *Estimates of the cost burden to the Commission.* There will be few, if any, costs to the Commission because ensuring proper use of universal service support is already part of Commission duties. Furthermore, no new systems or programs will be acquired or developed to process the information collection.

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15. *Program changes or adjustments.* This is a revised collection resulting in a program change increase of 533 total annual burden hours, from 1,260 hours to 1,793 hours, due to the additional requirements to carry out the programs set forth in the *USF/ICC Transformation Order*. as noted in Question 1

The program burden hour increase was due to the new requirements proposed by this information collection to ensure oversight of the use of Connect America funds and to provide for the election of Phase II support. This information will be used to determine that Connect America funding recipients have fulfilled their obligations under Connect America and have complied with the rules and requirements of the program.

16. *Collections of information whose results will be published.* Information related to changed Phase I deployments will be publicly released by the Commission. Data regarding the locations that received broadband under the program and data regarding where Connect America money was spent are included in recipients' annual reports, which are publicly available. Phase I certifications will be made public, either through the Commission's Electronic Comment Filing System (ECFS) or through release by the Commission. Phase II elections are made publicly. The Commission plans to make Phase II challenge process information public through the issue of .csv files.
17. *Display of expiration date for OMB approval of information collection.* The Commission seeks continued approval not to display the expiration date of OMB approval on the form associated with this information collection. The Commission will use an edition date on the form in lieu of the OMB expiration date. This will prevent the Commission from having to constantly update the expiration date on the electronic and paper forms each time this collection is submitted to OMB for review and approval. The Commission publishes a list of all OMB-approved information collections in 47 C.F.R. § 0.408 of the Commission's rules
18. *Exceptions to certification statement for Paperwork Reduction Act submissions (Item 19 of OMB Form 83-I).* There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods:

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