

Supporting Statement

A. Justification:

1. This information collection is necessary to institute a process by which interconnected VoIP providers may obtain authorization from the Federal Communications Commission (FCC) to demonstrate that they have the authority to provide voice services within specific areas so that these providers may in turn obtain numbers directly from the North American Numbering Plan Administrator (NANPA) and the Pooling Administrator (collectively, the Numbering Administrators).

On June 18, 2015, the FCC adopted a Report and Order establishing the Numbering Authorization Application process.¹ Under the Commission’s rules, only those entities that can demonstrate that they are authorized to provide telecommunications service in the area for which the numbers are being requested can obtain telephone numbers directly from the Numbering Administrators. To demonstrate this “authorization,” service providers are typically required to provide either (1) a Commission license or (2) a certificate of public convenience and necessity (CPCN) issued by a state regulatory commission. Neither of these authorizations is typically available to interconnected VoIP providers. As a result, these providers have been largely unable to obtain telephone numbers directly from the Numbering Administrators, and typically must partner with a carrier in order to obtain them. The Numbering Authorization Application process allows applicants to apply for a blanket authorization

¹ *Numbering Policies for Modern Communications; IP-Enabled Services; Telephone Number Requirements for IP-Enabled Services Providers; Telephone Number Portability; Developing a Unified Intercarrier Compensation Regime; Connect America Fund; Numbering Resource Optimization*, WC Docket Nos. 13-97, 04-36, 07-243, 10-90, CC Docket Nos. 95-116, 01-92, 99-200, Report and Order, FCC 15-70 (rel. June 22, 2015) (*Direct Access Report and Order*).

from the FCC that, once granted, will allow them to demonstrate that they have the authority to provide service in specific areas, thus enabling them to request numbers directly from the Numbering Administrators.

As part of the Commission authorization process, applicants must: (1) comply with applicable Commission rules related to numbering, including, among others, numbering utilization and optimization requirements (in particular, filing NRUF Reports), comply with guidelines and procedures adopted pursuant to numbering authority delegated to the states, and comply with industry guidelines and practices applicable to telecommunications carriers with regard to numbering; (2) file requests for numbers with the relevant state commission(s) on an on-going basis at least 30 days before requesting numbers from the Numbering Administrators; (3) provide contact information for personnel qualified to address issues relating to regulatory requirements, compliance, 911, and law enforcement; (4) provide proof of compliance with the FCC's "facilities readiness" requirement in section 52.15(g)(2) of the FCC's rules, 47 C.F.R. § 52.15(g)(2); (5) certify that the applicant complies with its Universal Service Fund (USF) contribution obligations under 47 C.F.R. part 54, subpart H, its Telecommunications Relay Service (TRS) contribution obligations under 47 C.F.R. § 64.604(c)(5)(iii), its NANPA and Local Number Portability (LNP) administration contribution obligations under 47 C.F.R. §§ 52.17 and 52.32, its obligations to pay regulatory fees under 47 C.F.R. § 1.1154, and its 911 obligations under 47 C.F.R. part 9; and (6) certify that the applicant has the requisite technical, managerial, and financial capacity to provide service. This certification must include the name of applicant's key management and technical personnel, such as the Chief Operating Officer and the Chief Technology Officer, or equivalent, and state that none of the identified personnel are being or have been investigated by the Commission or any law enforcement or regulatory agency for failure to comply with any law, rule, or order.

Interconnected VoIP providers who do obtain authorization to request numbers directly from the Numbering Administrators must also: (1) provide accurate regulatory and numbering contact information to the relevant state commission(s) when they request numbers in a state and must update this information whenever it becomes outdated; (2) use their own unique Operating Company Numbers (OCNs) (as opposed to using the

OCNs of their carrier affiliates or partners) when obtaining numbers directly from the Numbering Administrators; and (3) continue to provide their customers with the ability to access 911 and 711, the Commission-mandated N11 numbers that interconnected VoIP providers are required to provide regardless of whether they obtain numbers directly or through a numbering partner. Interconnected VoIP providers who obtain authorization to request numbers directly from the Numbering Administrators are also required to give their customers access to Commission-designated N11 numbers in use in a given rate center where an interconnected VoIP provider has requested numbering resources, to the extent that the provision of these dialing arrangements is technically feasible. The FCC expects that interconnected VoIP providers will notify consumers and state commissions if they cannot provide access to a particular N11 code due to technical difficulties.

This authorization process is designed to assess the eligibility of interconnected VoIP providers to obtain numbers from the Numbering Administrators, and to provide a uniform, streamlined process of review while simultaneously ensuring that the integrity of our numbering system is not jeopardized. This process will allow interconnected VoIP providers to obtain numbers with minimal burden or delay while also preventing providers from obtaining numbers without first demonstrating that they can deploy and properly utilize such resources. An authorization by a state or the Commission is necessary to protect against number exhaust, as well as to ensure competitive neutrality among traditional telecommunications carriers and interconnected VoIP providers in the market for voice services by eliminating the unnecessary inefficiencies and associated expenses that have previously been caused by requiring interconnected VoIP providers to partner with telecommunication carriers in order to obtain telephone numbers.

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

The Commission's statutory authority for this information collection is contained in section 251(e)(1) of the Telecommunications Act of 1996 (1996 Act).

Section 251(e)(1) of the 1996 Act, 47 U.S.C. § 251(e)(1), gives the FCC "exclusive jurisdiction" over that portion of the North American Numbering Plan

(NANP) that pertains to the United States, and provides that such numbers must be “available on an equitable basis.” The FCC retains authority to set policy with respect to all facets of numbering administration in the United States.² The FCC has concluded that its plenary numbering authority allows it to extend numbering-related requirements to interconnected VoIP providers that utilize telephone numbers.³ Nothing in section 251(e) (1) limits access to numbers to “telecommunications carriers” or “telecommunications services,” and thus in defining the underlying policies regarding access to and use of numbers, the agency concludes that it can provide such access directly to interconnected VoIP providers, without regard to whether they are carriers. Moreover, the obligation to ensure that numbers are available on an equitable basis is reasonably understood to include not only how numbers are made available but to whom, and on what terms and conditions.

Nothing in section 251(e) restricts the Commission’s jurisdiction to telecommunications carriers, and the absence of any express limitation supports our finding that Congress did not intend to limit the Commission’s flexibility to extend direct access to numbers to non-carrier interconnected VoIP providers. Further, authorizing interconnected VoIP providers to obtain numbers directly from the Numbering Administrators does not conflict with the fact that recovery of the costs of numbering administration is focused on telecommunications carriers under section 251(e)(2). Nor does authorizing direct access to numbers conflict with the fact that section 251(b)(2)

² *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Interconnection Between Local Exchange Carriers and Commercial Mobile Radio Service Providers; Area Code Relief Plan for Dallas and Houston, Ordered by the Public Utility Commission of Texas; Administration of the North American Numbering Plan; Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech-Illinois*, CC Docket Nos. 96-98, 95-185, 92-185, NSD File No. 96-8, IAD File No. 94-102, Second Report and Order and Memorandum Opinion and Order, 11 FCC Rcd 19392, 19512, para. 271 (1996) (explaining that by retaining exclusive jurisdiction over numbering policy the Commission preserves its ability to act flexibly and expeditiously).

³ *IP-Enabled Services; E911 Requirements for IP-Enabled Service Providers*, WC Docket Nos. 04-36, 05-196, First Report and Order and Notice of Proposed Rulemaking, 20 FCC Rcd 10245, 10265, para. 33 (2005) (*VoIP 911 Order*) (relying on the Commission’s plenary authority over U.S. NANP numbers, particularly Congress’ direction to use that authority regarding 911, to impose 911 obligations on interconnected VoIP providers, given interconnected VoIP providers’ use of NANP numbers to provide service).

addresses LECs' obligation to allow customers to port numbers when switching from one telecommunications carrier to another, since section 251(b)(2) is reasonably understood simply as reflecting a requirement that Congress anticipated as necessary to promote competition in local markets, rather than reflecting any inherent Congressional judgment regarding the universe of entities that might have direct access to telephone numbers. Thus, the FCC has authority under section 251(e)(1) to extend to interconnected VoIP providers both the rights and obligations associated with using telephone numbers.

2. The information collected as part of the Numbering Authorization Application will be used by the staff of the Wireline Competition Bureau (Bureau) of the FCC to verify that these applications conform to procedural rules. Thus, this information will help the FCC protect against number exhaust while also promoting competitive neutrality among traditional telecommunications carriers and interconnected VoIP providers by allowing both entities to obtain numbers directly from the Numbering Administrators. Bureau staff will also review the information collected as part of the Numbering Authorization Applications to ensure the fitness of the applicants and their principals to administer numbers, ensure that telephone numbers are not stranded, and maintain efficient utilization of numbering resources.

a) Compliance with Number Administration Rules and Guidelines:

Provision of the information required by these rules and guidelines will help alleviate concerns about telephone number exhaust and ensure competitive neutrality among providers of voice services. Requiring interconnected VoIP providers who obtain direct access to numbers to file NRUF reports with the NANPA will also allow the FCC to better monitor the utilization of numbers to make sure that this limited resource is being deployed and utilized properly.

b) 30-Day Notice Requirement: Requiring interconnected VoIP providers to file requests for numbers with the relevant state commission(s) at least 30 days prior to requesting numbers from the Numbering Administrators will allow the states to monitor number usage and raise any concerns about the

request with the provider, the Commission, and the Numbering Administrators. This notice period will also allow the states to determine whether the request is problematic for any reason, such as a provider's failure to submit timely NRUF reports or meet the utilization threshold necessary to obtain additional numbers. This information collection and notice period will also allow state commissions to advise interconnected VoIP providers as to which rate centers have excess blocks of numbers available.

- c) **Contact Information:** This information will allow state commissions to effectively monitor local numbering issues, which will, in turn, help the FCC in its overall efforts to conserve numbers. The provision of this contact information will also allow state commissions to effectively and most readily address matters relating to regulatory compliance, provision of 911 service, and law enforcement.
- d) **“Facilities Readiness” Requirement:** This information will allow the FCC to accurately determine whether specific interconnected VoIP providers are capable of providing service within sixty days of the numbering resources activation date. This in turn will help the FCC verify that providers are able to deploy and properly use numbers prior to obtaining them.
- e) **Certification of Capacity to Provide Service:** This information will allow the FCC to determine whether the applicant has the requisite technical, managerial, and financial capacity to provide service. It will also allow the FCC to determine whether the Chief Operating Officer and Chief Technology Officer of an interconnected VoIP provider, or the equivalent, is being or has been investigated by the Commission or any law enforcement or regulatory agency for failure to comply with any law, rule, or order.

- f) **Certification of Contribution Obligations:** This information will allow the FCC to determine whether applicants are in compliance with their USF, TRS, and LNP contribution obligations, as well as their duties to pay regulatory fees and 911 obligations. This will, in turn, help to ensure that these programs are adequately funded.

- g) **OCN Requirement:** Requiring interconnected VoIP providers to use their own unique OCNs when obtaining numbers directly from the Numbering Administrators will improve utilization data used to predict number exhaust and will enable states to more easily identify the service providers involved when porting issues arise.

3. The Commission permits carriers to file information electronically. In order to facilitate electronic filing of Numbering Authorization Applications, the agency has established within the FCC's Electronic Comment Filing System (ECFS) a "Submit a Non-Docketed Filing" module that facilitates filing of such applications into a single docket where all such applications must be filed. All subsequent filings by applicants and interested parties related to an application must be submitted via ECFS to the appropriate docket.

4. For the most part, the information does not duplicate any current information collections. While some of the contact information requested as part of this collection may be duplicated in FCC Form 499-A or 477 (which some interconnected VoIP providers already file), these forms are inadequate to demonstrate authorization to obtain numbers, in large part because they do not demonstrate compliance with the Commission's rules and specific numbering requirements. Nor do they reflect that an applicant has the appropriate technical, managerial, and financial capacity to provide service. Further, from a purely practical perspective, a new interconnected VoIP provider seeking direct access to numbers may not have a Form 477 on file at the time that it seeks to obtain numbers. Moreover, since these forms are filed only with the Commission, the contact information contained within them is not currently available to the states, which

will require such information in order to properly monitor local telecommunications markets. Thus, these forms are insufficient to demonstrate authorization on the part of providers to provide service and obtain numbers directly from the Numbering Administrators.

5. The Commission is taking several steps to minimize the impact of the information collection on small businesses and other small entities. First, the Report and Order only requires those interconnected VoIP providers seeking direct access to numbers to comply with the applicable FCC rules, rather than all interconnected VoIP providers. And although VoIP numbering authorization applicants are required to submit specific documentation as a condition of obtaining FCC authorization, the agency has attempted to minimize this burden by streamlining the application process as much as possible. In order to ease the administrative burden on small entities of producing and submitting authorization applications, the Commission has established a module that facilitates filing of applications electronically within its own Electronic Comment Filing System (ECFS).

6. Without this information the FCC would not be able to verify that specific interconnected VoIP providers are able to deploy and properly utilize numbering resources, or that they have the appropriate technical, managerial, and financial capacity to provide voice services. As a result, the FCC would not be able to grant these providers authorization to request telephone numbers directly from the Numbering Administrators. Interconnected VoIP providers would thus be obligated to continue to partner with telecommunications carriers when seeking numbers, a process which would necessitate unnecessary inefficiencies and associated expenses. It would also establish an unequal playing field as between traditional telecommunications carriers and interconnected VoIP providers in the competitive market for voice services, since only the former would be able to obtain numbers directly from the Numbering Administrators.

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

8. Pursuant to 5 C.F.R. Section 1320.8(d), a 60 day notice was published in the Federal Register on July 22, 2015 (80 FR 43426) seeking comments from the public.

The Commission received one comment in support of this collection from Vonage Holdings Corporation (Vonage). Vonage encourages approval of this collection, noting that the burden imposed by the new rules is reasonable and only applies to interconnected VoIP providers that seek Commission authorization to obtain direct access to numbers.

9. The Commission does not anticipate providing any payments or gifts to respondents.

10. If respondents submit information which respondents believe is confidential, respondents may request confidential treatment of such information pursuant to section 0.459 of the FCC's rules, 47 C.F.R. § 0.459.

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

12. Described below are the estimated burden hours associated with each collection of information.

a. **Numbering Authorization Application:** The potential number of respondents to this information collection is unclear, since the application is strictly voluntary and it is unknown at this time how many interconnected VoIP providers may wish to apply.

1. The Commission estimates that anywhere from five to twenty entities may choose to submit a Numbering Authorization Application, giving us an average of 13 entities ($5 + 20 = 25$, $25/2 = 12.5$, which we round up to 13).

2. To meet the conditions required by the application, we estimate that several professionals at the provider's company, including accountants, information technology specialists, attorneys, and a compliance officer, will participate in the production and/or review of the application. We also estimate a weighted average for the compensation of these professionals will be at a level comparable in

pay to a GS 14 step 5 (\$58.28/hour) using the 2015 General Schedule Pay Table with locality payment for the Washington, D.C., Maryland, Virginia, West Virginia and Pennsylvania.

3. The Commission estimates that it will take 20 hours to produce the filing per respondent. The burden per respondent is approximately \$1,166 ($\$58.28 \times 20 \text{ hours} = \$1,166$). The total industry dollar cost is \$15,158 ($13 \times \$1,166 = \$15,158$). The total industry burden hours is 260 ($13 \times 20 = 260$). We note that this application need only be filed once, and will thus not be a recurring industry cost.

Expected Respondents	Hours Per Respondent	Hours to Industry	Hourly Salary	\$ Cost Per Respondent	\$ Cost to Industry
13	20	260	\$58.28	\$1,166	\$15,158

- b. NRUF Reports: Again, we estimate that roughly 13 interconnected VoIP providers may choose to apply for FCC authorization. Should their applications be approved, they will be required to file NRUF Reports with the NANPA twice a year, as a condition of obtaining numbers directly. To produce the NRUF Reports on a semi-annual basis, several professionals at the carrier’s company, including accountants, information technology specialists, attorneys, engineers, and a compliance officer, will likely participate in the production and/or review of the filings.

1. We estimate a weighted average for the compensation of these professionals will be at a level comparable in pay to a GS 14 step 5 (\$58.28/hour) using the 2015 General Schedule Pay Table with locality payment for the Washington, D.C., Maryland, Virginia, West Virginia and Pennsylvania.
2. The Commission estimates that it will take 40 hours to produce the filing per respondent, 80 hours per respondent per year to produce both

NRUF Reports (40 x 2 = 80 hours per year). The burden per respondent per year is approximately \$4,662 (\$58.28/hour x 80 hours = \$4,662).

3. The total industry dollar cost is approximately \$60,606 (13 respondents x \$4,662 per respondent = \$60,606). The total industry burden hours is 1,040 (13 x 80 = 1,040). We expect these burden hours to decrease once interconnected VoIP providers implement their compliance plans.

Expected Respondents	Hours Per Respondent	Hours to Industry	Hourly Salary	\$ Cost Per Respondent	\$ Cost to Industry
13	80	1,040	\$58.28	\$4,662	\$60,606

- c. 30-Day Notice Requirement: We estimate that approximately 13 interconnected VoIP providers may choose to apply for FCC authorization. Should their applications be approved, they will be required to file requests for numbers with the relevant state commission(s) at least 30 days prior to requesting numbers from the Numbering Administrators. To meet this condition, several professionals at the carrier’s company, including attorneys, information technology specialists, and a compliance officer, may participate in the production and/or review of the filing.

1. The Commission estimates a weighted average for the compensation of these professionals will be at a level comparable in pay to a GS 14 step 5 (\$58.28/hour) using the 2015 General Schedule Pay Table with locality payment for the Washington, D.C., Maryland, Virginia, West Virginia and Pennsylvania.
2. We also estimate it will take no more than 10 hours annually to produce the filing per respondent. Since the numbering requests sent to the state commissions will largely contain the same

information as whatever numbering request the respondent intends to transmit to the Numbering Administrators, they will not require many hours to prepare independent of the requests intended for the Administrators. The burden per respondent is approximately \$583 ($\$58.28 \times 10 \text{ hours} = \583).

3. The total industry dollar cost is \$7,759 ($13 \times \$583 = \$7,579$). The total industry burden hours are 130 ($13 \times 10 = 130$).

Expected Respondents	Hours Per Respondent	Hours to Industry	Hourly Salary	\$ Cost Per Respondent	\$ Cost to Industry
13	10	130	\$58.28	\$583	\$7,579

d. Contact Information to States: We estimate that roughly 13 interconnected VoIP providers may choose to apply for FCC authorization. Should their applications be approved, they will be required to file accurate regulatory and numbering contact information with the state commission when they request numbers in that state, and to update this information whenever it becomes outdated. To meet this condition, several professionals at the carrier’s company, including attorneys and a compliance officer, may participate in the production and/or review of the filing.

1. The Commission estimates a weighted average for the compensation of these professionals will be at a level comparable in pay to a GS 14 step 5 ($\$58.28/\text{hour}$) using the 2015 General Schedule Pay Table with locality payment for the Washington, D.C., Maryland, Virginia, West Virginia and Pennsylvania.
2. We estimate it will take no more than 10 hours annually to produce the filing per respondent. Since only contact information is required to be submitted as a part of this requirement, these filings

will not require many hours to prepare. The burden per respondent is approximately \$583 ($\$58.28 \times 10 \text{ hours} = \583).

3. The total industry dollar cost is \$7,579 ($13 \times \$583 = \$7,579$). The total industry burden hours are 130 ($13 \times 10 = 130$).

Expected Respondents	Hours Per Respondent	Hours to Industry	Hourly Salary	\$ Cost Per Respondent	\$ Cost to Industry
13	10	130	\$58.28	\$583	\$7,579

Grand Total of Information Collection Requirements contained in this collection:

Information Collection Requirements	Respondents	Hours Per Respondent	Hours to Industry	\$ Cost Per Respondent	\$ Cost to Industry
a. Numbering Authorization Application	13	20	260	\$1,166	\$15,158
b. NRUF Reports	13	80	1,040	\$4,662	\$60,606
c. 30-Day Notice Requirement	13	10	130	\$583	\$7,579
d. Contact Information to States	13	10	130	\$583	\$7,579
Totals (<i>in bold</i>)	13	120	1,560	\$6,994	\$90,922

13. There are no outside costs to the respondent:

- a. There are no capital or start-up costs.
- b. There are no operational or maintenance costs.

14. We estimate that roughly 13 interconnected VoIP providers may choose to apply for FCC authorization. We further estimate that two attorneys will be needed to review

the applications. We also estimate a weighted average for the compensation of these professionals will be at a level of a GS 14 step 5 (\$58.28/hour). We estimate that it will take 5 hours for each attorney or 10 hours to review each application. The burden per application is thus approximately \$583 ($\$58.28 \times 2 \text{ attorneys} \times 5 \text{ hours} = \583). The total dollar cost is \$7,579 ($13 \times \$583 = \$7,579$). The total burden hours is 130 ($13 \times 2 \times 5 = 130$). We note that this application need only be filed once, and will thus not be a recurring government cost.

Expected Respondents	Hours Per Application	Total Hours	Hourly Salary	\$ Cost Per Application	Total \$ Cost to Government
13	10	130	\$58.28	\$583	\$7,579

15. This is a new information collection resulting in a program change (increase). This increase in the total number of respondents of 13, total number of responses 13, and total annual burden hours of 1,560 will be added to OMB's Active Inventory.

16. The Commission is not planning on publishing the results of this information collection. Information filed by the respondents will be publicly available.

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

18. 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.