

SUPPORTING STATEMENT

This collection is being submitted to the Office of Management and Budget (OMB) to extend an existing collection. There is no change in the Commission's burden estimates. There is no change in the reporting, recordkeeping and/or third party disclosure requirements.

A. Justification:

1. By adopting the *Report and Order*, FCC 00-193, 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). In reforming its high-cost universal service rules, the Commission eliminated the universal service data filings previously contained in this information collection.
2. The Commission currently requires the following information to be reported 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 by: 1) subtracting from their July 2000 tariff filings the estimated universal service support that they were to receive from Universal Service Administrative Company (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 deaverage their SLC, adding up the components of their averaged traffic sensitive charges to test whether the charges have reached the target rate; and 4) calculating their SLC rates by Unbundled Network Element Zone. See 47 C.F.R. §§ 61.45 – 61.49.

b) 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.

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. 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. 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 published a 60 Day Notice in the Federal Register soliciting comments from the public. See 81 FR 11562, dated March 4, 2016. 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. Reporting Requirement – Modified Tariff Filings

- (1) Number of respondents: 18
- (2) Frequency of response: Annual, one per year.
- (3) Total number of responses annually: 18
- (4) Estimated time per response: Approximately 2 hours.
- (5) Total annual burden: **36 hours.**

The Commission estimates that 18 price cap LECs would make 1 filing per year, which would take approximately 2 hours to prepare.

$18 \text{ respondents} \times 1 \text{ response per year} \times 2 \text{ hours} = 36 \text{ hours.}$

- (6) Total estimate of “in-house” cost to respondents: **\$1,801.**

The Commission estimates that the average in-house cost for respondents is approximately \$50.04 per hour (GS 13/step 5).

$36 \text{ hours/year} \times \$50.04 / \text{hour} = \$1,801.$

B. Reporting Requirement – Cost Support Filings

- (1) Number of respondents: 2.
- (2) Frequency of response: Annual, one per year.
- (3) Total number of responses annually: 2.
- (4) Estimated time per response: Approximately 20 hours.
- (5) Total annual burden: **20 hours.**

The Commission estimates that two price cap LECs (one large and one small) will opt for the cost support filing rather than following the CALLS proposal. We estimate that it will take 15 hours for the large price cap LEC and 5 hours for the small price cap LEC. The amount of time needed for the cost support filing is reduced because the price cap LECs already have data from the unbundled network element (UNE) cost studies.

The companies will simply need to aggregate this UNE data into access and switching elements.

1 large price cap LEC x 1 response per year x 15 hours= 15 hours +
1 small price cap LEC x 1 response per year x 5 hours=5 hours =
20 hours.

(6) Total estimate of “in-house” cost to respondents: **\$1,000.**

Explanation of calculation:

The Commission estimates that the average in-house cost for respondents is approximately \$50.04 per hour (GS 13/step 5).

20 hours/year x \$50.04 /hour = \$1,000.

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

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

Total In-House Costs to the Respondent: \$1,801 + \$1,000 = \$2,801

Total Annual Burden Hours: 36 + 20 = 56 hours.

13. Estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information: **None.**

The collection will not require the purchase of additional equipment or result in additional operating or maintenance expenses.

14. Estimate of annualized cost to the Federal Government.: **None.**

Tariff review is already part of the Commission’s duties.

15. There is no change in the Commission’s previous burden estimates.

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. There are no exceptions to the Certification Statement.

Collections of Information Employing Statistical Methods:

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