

SUPPORTING STATEMENT

The Commission is requesting OMB approval for a revision (with changes in the reporting and/or recordkeeping requirements). There are also changes to the Commission's previous burden and cost estimates and the FCC Form 502.

A. Justification:

1. The data collected by this form helps the Commission manage the ten-digit North American Numbering Plan (NANP), which is currently being used by the United States and 19 other countries. Under the Communications Act of 1934, as amended, the Commission was given "exclusive jurisdictions over those portions of the North American Numbering Plan that pertain to the United States." Pursuant to that authority the Commission conducted a rulemaking that among other things addressed regular reporting on numbering use by United States carriers. In its *Report and Order* in CC Docket No. 99-200, *In the Matter of Numbering Resource Optimization* (FCC 00-104, rel. Mar. 31, 2000), the Commission found that mandatory data collection is necessary to efficiently monitor and manage numbering use. The Commission received OMB approval for these requirements in May 2007. On June 18, 2015, the FCC adopted its *Direct Access Report and Order* establishing the Numbering Authorization Application process for interconnected Voice over Internet Protocol (VoIP) providers (FCC 15-70, rel. Jun. 22, 2015). As part of the Commission authorization process, applicants must comply with applicable Commission rules related to numbering, including, among others, numbering utilization and optimization requirements (in particular, filing NRUF Reports). The Commission received OMB approval for these additional requirements by interconnected VoIP providers in January 2016. The Commission requires the following information, none of which will change with this current revision:

- a. Utilization/Forecast Report – All carriers that receive numbering resources from the NANP Administrator (NANPA) or that receive numbering resources from the Pooling Administrator in thousands-blocks must report forecast and utilization data semi-annually to the NANPA. Carriers that receive intermediate numbers must report forecast and utilization data semi-annually to the NANPA. Reporting carriers must report their utilization and forecast data by a separate legal entity. Each reporting carrier shall be identified by its Operating Company Number (OCN) on its submission. NANPA shall not issue new numbering resources to a carrier without an OCN. A carrier whose forecast and utilization data has not changed from the previous reporting period may simply re-file the prior submission and indicate that there has been no change since the last reporting, *i.e.*, it would report "no change." All carriers are required to file their data electronically. Carriers should use electronic means to track their use of numbering resources. *See* 47 C.F.R. § 52.15(f).
- b. Application for Initial Numbering Resources – Applications for initial numbering resources must include documented proof that (1) the applicant is authorized to provide service in the area for which the numbering resources are requested and (2) the applicant is or will be

capable of providing service within 60 days of the numbering resources activation date. Specifically, carriers must provide, as part of the applications for initial numbering resources, evidence (e.g., state commission order or state certification to operate as carrier) demonstrating that they are licensed and/or certified to provide service in the area in which they seek numbering resources. Carriers requesting initial numbering resources must also provide to the NANPA appropriate evidence (e.g., contracts for unbundled network elements, network information showing that equipment has been purchased and that it is operational or will be operational, business plans, or interconnection agreements) that its facilities are in place or will be in place to provide service within 60 days of the numbering resources activation date. These requirements apply to carriers requesting an initial NXX code and those requesting an initial thousands-block. *See 47 C.F.R. § 52.15(g).*

c. Application for Growth Numbering Resources – Applications for growth numbering resources must include a Months-To-Exhaust (MTE) worksheet. To ensure that carriers obtain numbering resources when and where they are needed to provide service, carriers are required to provide evidence that, given their current utilization and recent historical growth, they need additional numbering resources. Non-pooling carriers must satisfy a minimum utilization threshold before obtaining additional numbering resources. *See 47 C.F.R. § 52.15(g).*

d. Recordkeeping Requirement – To facilitate auditing by the NANPA and by state commissions in the future, carriers are required to maintain detailed internal records of their number usage in categories more granular than the five for which they are required to report. Carriers are required to maintain internal records of their numbering resources for the following subcategories: soft dial-tone numbers; ported-out numbers; dealer number pools; test numbers; employee/official numbers; Local Routing Numbers; Temporary Local Directory Numbers; and wireless E911 emergency services routing digits/key numbers. Carriers are required to maintain these data for a period of not less than 5 years. *See Report and Order, para. 62.*

e. Notifications by State Commissions – State commissions may reduce the reporting frequency for Numbering Plan Areas (NPAs) in their states to annual. State commissions must notify the Wireline Competition Bureau and the NANPA prior to exercising this delegated authority. *See 47 C.F.R. § 52.15(f)(6).*

f. Demonstration to State Commission – Carriers that open a clean thousands-block prior to utilizing in its entirety a previously-opened thousands-block should be prepared to demonstrate to the state commission: (1) a genuine request from a customer detailing the specific need for telephone numbers; and (2) the inability on the part of the carrier to meet the specific customer request for a telephone number from the supply of numbers within the carrier's currently activated thousands-blocks. *See 47 C.F.R. 52.15(j)(2).*

g. Petitions for Additional Delegation of Numbering Authority – States requesting pooling authority from the FCC must include a showing of specific criteria in their petitions. Each petition must demonstrate that: (1) that an NPA in its state is in jeopardy; (2) the NPA in question has a remaining life span of at least a year; and (3) that NPA is in one of the largest 100 MSAs, or alternatively, the majority of wireline carriers in the NPA are LNP-capable. In NPAs that do not meet all of the criteria but where pooling would be of benefit, states requesting

pooling authority must demonstrate that “special circumstances” exist that permit the Commission to delegate authority to implement pooling. *See Report and Order*, para. 170.

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

Note: This submission is being made pursuant to authority contained in sections: 1, 3, 4, 201-205, 251 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 153, 154, 201-205, and 251.

2. The data from this information collection is used by the FCC, state regulatory commissions, and the NANPA to monitor numbering resource utilization by all carriers using the resource and to project the dates of area code and NANP exhaust.
3. All carriers must file their data electronically with the NANPA. Electronic filing substantially reduces the cost of the data collection process and reduces filing efforts, once carriers develop their own software or adapt to software and systems developed by the NANPA.
4. This information is not duplicated elsewhere. Previous to the current rules, there were no mandatory federal reporting requirements for numbering resource use.
5. The Commission has implemented a number of procedures to reduce the burden on small carriers. For example, small telecommunications carriers will be permitted to file their data over the Internet using an Internet screen or by filing a disk that contains the data in spreadsheet format. Carriers that do experience changes in numbering utilization between reporting periods will be permitted to report “No Change.” Finally, “rural” telecommunications carriers will have their filing requirements reduced. All rural telephone companies are allowed to report their historical utilization data at the NXX level rather than at the thousand-block level required of other carriers. In addition, states have the authority to reduce reporting requirements from semiannual to annual if they believe that changes in numbering use in particular area codes are sufficiently small to warrant less frequent reporting. Small independent telephone companies generally operate in such area codes.
6. Failure to obtain resource use and forecast data makes it difficult to manage the NANP. Such management will extend the life of the NANP, saving consumers and carriers an estimated \$100 to \$150 billion associated with expanding the plan by adding more digits. The reporting requirements have been designed to minimize the frequency of reporting. Under the Commission’s rules, reporting is semi-annual. States, however, may reduce the reporting requirement to annual for area codes where semi-annual data is unnecessary. States have been delegated this authority because they are most familiar with local conditions.
7. Carriers will be required to retain underlying records for longer than three years to permit auditing of reported data. These records are necessary to ensure that reporting is complete and accurate.

8. The Commission published a notice in the Federal Register for 60 days as required by 5 CFR 1320.8(d). *See* 81 FR 36916, dated March 30, 2016. No PRA comments were received.
9. No payment or gifts are being provided to the respondent.
10. Disaggregated, carrier specific forecast and utilization data will be treated as confidential and will be exempt from public disclosure under 5 U.S.C. § 552 (b)(4).
11. There are no questions of a sensitive nature with respect to the information collected.

12. a. Numbering Resource Utilization/Forecast Report:

- (1) Number of Respondents: 2,713.
- (2) Frequency of Response: semi-annual reporting requirement.
- (3) Total number of responses annually: 2,713 responses.
- (4) Estimated Time Per Response: 44.4 hours per response per year (22.2 hours per response x 2 submissions).

2,713 respondents x 22.2 hours per response x 2 submissions per year = 120,457 hours.

- (5) Total annual burden: **120,457 hours.**

The Commission estimates that carriers will require 22.2 hours of reporting time per semi-annual reporting requirement.

2,713 respondents x 2 submissions per year x 22.2 hours per response = 120,457 hours

- (6) Total estimate of in-house cost to respondents: **\$6,027,678.29.**

(7) Explanation of Calculation:

The Commission estimates the average in-house cost for respondents is \$50.04 per hour and is comparable in pay to a Federal Employee at a GS-13, Step 5. The total industry cost:

2,713 respondents x 2 submissions per year x 22.2 hours per response x \$50.04 per hour = \$6,027,678.29.

b. Application for Initial Numbering Resources:

- (1) Number of respondents: **2,743.**

(2) Frequency of response: On occasion reporting requirement.

(3) Total number of responses annually: **2,743.**

(4) Estimated Time Per Response: **2 hours.**

2,743 respondents x 1 submission x 2 hours per response = 5,486 hours.

(5) Total annual hour burden: **5,486 hours.**

The Commission estimates that carriers will make 1 submission per year and it would take 2 hours to prepare.

2,743 respondents x 1 submission x 2 hours per response = 5,486.

(6) Total estimate of in-house cost to respondents: **\$274,519.44.**

(7) Explanation of Calculation:

The Commission estimates that the average in-house cost for respondents is \$50.04 per hour and is comparable in pay to a Federal Employee at a GS-13, Step 5. The Total industry cost:

2,743 respondents x 1 submission x 2 hours per response x \$50.04 per hour = \$274,519.44.

c. Application for Growth Numbering Resources:

(1) Number of respondents: **1,713.**

(2) Frequency of response: On occasion reporting requirement.

(3) Total number of responses annually: **1,713.**

(4) Estimated Time Per Response: **2 hours.**

1,713 respondents x 1 submission x 2 hours per response = 3,426

(5) Total Annual Hour Burden: **3,426 hours.**

The Commission estimates that carriers will make 1 submission per year and it would take 2 hours to prepare.

1,713 respondents x 1 response x 2 hours per response = 3,426 hours

(6) Total estimate of in-house cost to respondents: **\$171,437.04**

(7) Explanation of Calculation:

The Commission estimates the average in-house cost per respondent is \$50.04 per hour and is comparable in pay to a Federal Employee at a GS-13, Step 5. The total industry cost:

1,713 respondents x 1 submission x 2 hours per response x \$50.04 per hour = \$171,437.04.

d. Recordkeeping Requirement

(1) Number of respondents: **2,743**.

(2) Frequency of response: Recordkeeping requirement.

(3) Total number of responses annually: **2,743**.

(4) Estimated Time Per Response: **1 hour**.

2,743 respondents x 1 submission x 1 hour per response = 2,743

(5) Annual hour burden: **2,743 hours**.

The Commission estimates that carriers will make 1 submission per year and it would take 1 hour to fulfill the recordkeeping requirement.

2,743 respondents x 1 submission x 1 hour per response = 2,743

(6) Total estimate of in-house cost to respondents: **\$137,259,72**.

(7) Explanation of Calculation:

The Commission estimates that the average in-house cost for respondents is \$50.04 per hour and is comparable in pay to a Federal Employee at a GS-13, Step 5. The Total industry cost:

2,743 respondents x 1 submission x 1 hour per response x \$50.04 per hour = \$137,259.72.

e. Notifications by State Commissions:

(1) Number of respondents: **2**.

(2) Frequency of response: On occasion reporting requirement.

(3) Total number of responses annually: **2 responses.**

(4) Estimated Time Per Response: **1 hour.**

2 respondents x 1 submission x 1 hour per response = 2 hours.

(5) Total annual burden: **2 hours.**

The Commission estimates that carriers will make 1 submission per year and it would take 1 hour to prepare.

2 respondents x 1 submission x 1 hour per response = 2 hours

(6) Total estimate of in-house cost to respondents: **\$100.08.**

(7) Explanation of Calculation:

The Commission estimates that the average in-house cost for respondents is \$50.04 per hour and is comparable in pay to a Federal Employee at a GS-13, Step 5. The Total industry cost:

2 respondents x 1 submission x 1 hour per response x \$50.04 per hour = \$100.08.

f. Demonstration to State Commission:

(1) Number of respondents: **250.**

(2) Frequency of response: On occasion reporting requirement.

(3) Total number of responses annually: **250 responses.**

(4) Estimated Time Per Response: **1 hour.**

250 respondents x 1 submission x 1 hour per response = 250 hours

(5) Total annual burden: **250 hours.**

The Commission estimates that carriers will make 1 submission per year and it would take 1 hour to prepare.

250 respondents x 1 submission x 1 hour per response = 250 hours

(6) Total estimate of in-house cost to respondents: **\$12,510.**

(7) Explanation of Calculation:

The Commission estimates that the average in-house cost for respondents is \$50.04 per hour and is comparable in pay to a Federal Employee at a GS-13, Step 5. The Total industry cost:

250 respondents x 1 submission x 20 hours per response x \$50.04 = \$12,510.00.

g. Petition for Additional Delegation of Numbering Authority:

- (1) Number of respondents: **1**.
- (2) Frequency of response: On occasion reporting requirement.
- (3) Total number of responses annually: **1 response**.
- (4) Estimated Time Per Response: 20 hours.
- 1 respondent x 1 submission x 20 hours per response = 20 hours.
- (5) Total Annual Hour Burden: **20 hours**.

The Commission estimates that carriers will make 1 submission per year and it would take 20 hours to prepare.

1 respondent x 1 submission x 20 hours per response = 20 hours.

(6) Total estimate of in-house cost to respondents: **\$1,000.80**

(7) Explanation of Calculation:

The Commission estimates that the average in-house cost for respondents is \$50.04 per hour and is comparable in pay to a Federal Employee at a GS-13, Step 5. The Total industry cost:

1 respondent x 1 submission x 20 hours per response x \$50.04 per hour = \$1,000.80.

Total number of respondents: $2,780 + 13 = \mathbf{2,793 \text{ respondents}}$.

Total number of responses: $2,713 + 2,743 + 1,713 + 2,743 + 2 + 250 + 1 = \mathbf{10,165 \text{ responses}}$.

Total annual burden: $120,457 + 5,486 + 3,426 + 2,743 + 2 + 250 + 20 = \mathbf{132,384 \text{ hours}}$.

Total in-house cost to the respondent: $\$6,027,678.29 + \$274,519.44 + \$171,437.04 + \$137,259.72 + \$100.08 + \$12,510.00 + \$1,000.80 = \mathbf{\$6,624,505.37}$.

Summary of Changes

Title of Collection	Responses in Inventory	Est. Responses	Change in Responses	Hours In Inventory	New Hours Estimate	Change in Burden Hours
a. No. Resource Utilization/Forecast	2700	2,713	+13	119,880	120,457	+577
b. Appl. For Initial Numbering Resources	2730	2,743	+13	5,460	5486	+26
c. Appl for Growth Number Resources	1700	1,713	+13	3,400	3,426	+26
d. Recordkeeping requirement	2730	2,743	+13	2,730	2,743	+13
e. Notifications by State Commission	2	2	0	2	2	0
f. Demonstration to State Commission	250	250	0	250	250	0
g. Petition for Additional Delegation	3	1	-2	60	20	-40
Totals	10,115 responses	10,165 responses	+50 responses	131,782 Hours	132,384 hours	+602 hours

13. The following represents the Commission's estimate of the annual cost burden to respondents or record keepers from the collections of information:

a. Total capital and start-up cost component: **Industry burden costs are estimated to be \$3,465,570.20 per year.** This is computed using an annual average industry burden of 69,256 hours at \$50.04 per hour. These estimates were based on discussions with a limited number of carriers. They assume a 5-year planning horizon made up of an initial year during which software will be developed and 4 subsequent years using that software.

b. Total operation and maintenance and purchase of services component: \$0. The requirements will not result in additional operating or maintenance expenses.

14. The cost to the Federal Government will be minimal because a consultant (NANP Administrator) already under contract to the telecommunications industry will perform the processing of the data.

15. The Commission is reporting program changes and adjustments to this collection.

There are program changes/increases to the total number of respondents from 2,780 to 2,793 (+13) and to the total annual burden hours from 131,782 to 132,384 (+602) which are due to adding the numbering requirements for interconnected VoIP providers that obtain direct access to numbering resources from collection 3060-1214.

Also, there are adjustments/decreases to the annual burden hours because the Commission overstated the burden hours from information collection, 3060-1214, Direct Access to Numbering Resources the total annual burden hours from 1,040 to 577 (-463). These decreases

have been offset and have been adjusted to correct the Commission's previous burden estimates which are now reflected in this submission to OMB.

The Commission inadvertently stated the total annual responses as 7,385 in our previous submission to OMB. With this submission, we have corrected the annual responses from 10,115 to 10,165 (+50). This adjustment/increase in the total annual responses have been adjusted to reflect the most current information available and are included in this submission.

16. The data collected will not be published.

17. The Commission seeks approval not to display the expiration date of OMB approval. Display of the expiration date would not be in the public interest because we would have to destroy all of the unused reports previously printed or modify the electronic version that is on the Internet. This would constitute waste and would not be cost effective.

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.