

SUPPORTING STATEMENT

This collection is being submitted as part of the *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Report and Order, Order, Order on Reconsideration and Further Notice of Proposed Rulemaking, FCC 16-33, 31 FCC Rcd 3087 (2016) to seek approval to extend the requirements contained in this information collection from the Office of Management and Budget (OMB) in order to obtain the full three-year approval. This collection is also being submitted to seek approval of certain changes to Form 481 and its instructions.

A. Justification:

1. *Circumstances that make the collection necessary.*

The requirements in this information collection are used to determine the amount of, and eligibility for, high-cost universal service support received by incumbent and competitive eligible telecommunications carriers (ETCs) under the Connect America Fund.

The Communications Act of 1934, as amended (the Act) requires the “preservation and advancement of universal service.” The information collection requirements reported under this control number are the result of various Commission actions to promote the Act’s universal service goals, while minimizing waste, fraud, and abuse.

On November 18, 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, Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order*), and the Commission and Wireline Competition Bureau have since adopted a number of orders that implement the *USF/ICC Transformation Order*; see also *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Third Order on Reconsideration, 27 FCC Rcd 5622 (2012); *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Order, 27 FCC Rcd 605 (Wireline Comp. Bur. 2012); *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Fifth Order on Reconsideration, 27 FCC Rcd 14549 (2012); *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Order, 28 FCC Rcd 2051 (Wireline Comp. Bur. 2013); *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Order, 28 FCC Rcd 7227 (Wireline Comp. Bur. 2013); *Connect America Fund*, WC Docket No. 10-90, Report and Order, 28 FCC Rcd 7766 (Wireline Comp. Bur. 2013); *Connect America Fund*, WC Docket No. 10-90, Report and

Order, 28 FCC Rcd 7211 (Wireline Comp. Bur. 2013); *Connect America Fund*, WC Docket No. 10-90, Report and Order, 28 FCC Rcd 10488 (Wireline Comp. Bur. 2013). The Commission has received OMB approval for most of the information collections required by these orders. At a later date, the Commission plans to submit additional revisions for OMB review to address other reforms adopted in the orders (e.g., 47 C.F.R. 54.313(a)(11)).

In March 2016, the Commission adopted the *Rate-of-Return Reform Order* to continue modernizing the universal service support mechanisms for rate-of-return carriers. *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, Order and Order on Reconsideration and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087 (2016) (*Rate-of-Return Reform Order and Further Notice*). The *Rate-of-Return Reform Order* replaces the Interstate Common Line Support (ICLS) mechanism with the Connect America Fund—Broadband Loop Support (CAF-BLS) mechanism. While ICLS supported only lines used to provide traditional voice service (including voice service bundled with broadband service), CAF-BLS also supports consumer broadband-only loops. OMB granted the Commission’s emergency processing request to revise this information collection, specifically FCC Forms 507, 508, and 509, to include additional line count, forecasted cost and revenue, and actual cost and revenue data associated with consumer broadband-only loops necessary for the calculation of CAF-BLS. That revision was a narrow expansion of similar information related to common line loops, costs, and revenues collected pursuant to the existing approval. The *Rate-of-Return Order* also adopted additional constraints on universal service support for rate-of-return carriers and a voluntary path to model-based support for rate-of-return carriers. We have received OMB approval for the information collections associated with model-based support separately, under OMB control number 3060-1219, Connect America Fund – Alternative Connect America Cost Model Support.

We seek the full three-year clearance for the requirements contained in this information collection and propose changes to FCC Form 481 and its instructions to provide clarification for some reporting items and to reflect certain updates. These proposed revisions do not impact the requirements or change the burdens. We also modify and eliminate some reporting requirements in the FCC Form 481 because modified versions of these requirements have been moved to another information collection recently approved under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Revisions proposed in this information collection:

We propose to make certain changes to FCC Form 481 and its instructions to provide clarification for some reporting items and to reflect certain updates.

Section 100: Remove Section 100 of the form and accompanying instructions as a result of OMB approval of a separate location reporting portal under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Lines 300, 320: Add a “not applicable” field to the electronic form for carriers that do not offer these services.

Lines 500, 510, and 515: Change Line 500 to make it Line 515 and edit accompanying instructions to reflect this change and improve clarity both in the instructions for the Lines

and the overview of the requirements on page 8 of the instructions; Line 515 is a Lifeline reporting requirement that already received OMB approval under OMB control number 3060-0819.

Line 920: Modify introductory text in the PDF version of the form to make it consistent with the electronic version of the form.

Line 2005: Correct Line number in the PDF version of the form to make it consistent with the electronic version of the form.

Line 2010: Delete Line and accompanying instructions because the deadline for the second year certification has passed and is not required in this year's filing.

Line 2011: Update wording in form and instructions to note that the July 2017 certification applies only to Phase I Round 2 recipients.

Line 2012: Delete instructions related to outdated requirement.

Line 2017: 2017A will remain unchanged; split 2017B into 2017B and 2017C; and revise wording for clarity in both the form and instructions; also update instructions to incorporate rule renumbering. Remove Line 2017B of the form as a result of OMB approval of the requirements under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Line 2018: Change rule reference in form and instructions to incorporate rule renumbering.

Line 2019: Change rule reference in form and instructions to incorporate rule renumbering.

Lines 2020, 2021, 2026, and 2027: Delete lines and accompanying instructions because certifications now will be collected under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Line 2022: Update wording in form and instructions to reflect that this requirement applies to third year of support for Phase I Round 2.

Line 2023: Update wording in form and instructions to reflect that this requirement applies to third year of support for Phase I Round 2.

Line 2024B: Update wording in form and instructions to reflect that this requirement applies to third year of support for Phase I Round 2.

Line 2025A: Update wording in form and instructions to reflect that this applies to Phase I Round 2 recipients.

Line 2025B: Update wording in form and instructions to reflect that this applies to third year of support for Phase I Round 2.

Line 3005: Modify wording in form header to improve clarity and remove references to the five-year plan given that the requirement to file a five-year plan and progress reports is now under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Line 3009: Remove reference to five-year plan in form given that the requirement to file a five year plan and progress reports is now under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Line 3010A: Modify wording in the form and instructions to improve clarity; also remove references to five-year plan in the instructions given that the requirement to file a five year plan and progress reports is now under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Line 3010B: Modify description of attachment in the instructions consistent with changes made to Line 3010A.

Line 3012A: Remove reference to five-year plan in the instructions given that the requirement to file a five year plan and progress reports is now under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing,

Line 3025: Modify wording in the PDF version of the form to make it consistent with the electronic version of the form.

Community Anchor Institution Template (applicable to Lines 2018, 3012B, and 4003B): Split up address field into separate street address, state, and zip code fields.

Template 2017 (applicable to Line 2017B): Delete Template 2017. Price cap carriers will no longer submit their geocoded locations on FCC Form 481 as a result of OMB approval of the requirements under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing. Price cap carriers’ capital expenditures will now be collected in Line 2017C of FCC Form 481.

Template 2024 (applicable to Line 2024B): On the first tab remove references to year 1 and year 2 given that only year 3 will be reported; on the second tab remove references to specifying which year is being reported given that only year 3 will be reported.

Template 2025 (applicable to Line 2025B): On the first and second tabs remove the columns for specifying the applicable round and the reporting year given that only Phase I Round 2 filers will be filing their year 3 data.

Currently approved requirements that are being modified or eliminated because modified versions have been moved to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing:

(1) Geocoded Information and Capital Expenditure Reporting for Phase II Model-Based Support Recipients (See 12.a):

Under this control number, price cap carriers that elected to receive Phase II model-based support are required to deploy service meeting the Commission’s public interest obligations to a set number of locations in each state where they have accepted support by specific build-out milestones. The Commission required that price cap carriers submit with their initial service quality improvement plan and annual progress reports geocoded location information so that the Commission can monitor price cap carriers’ progress in meeting such milestones, and the total amount of Phase II support, if any, that they used for capital expenditures in the previous year. 47 C.F.R. § 54.313(e).

OMB has approved the Commission’s proposal to move a modified version of the geocoded location reporting requirement from this control number to OMB control number 3060-1228,

Connect America Fund – High Cost Portal Filing. This information collection has been updated to reflect OMB’s determination in that item by deleting the geocoded location reporting requirement from the burden calculations in this collection.

Each year, price cap carriers will be required to report the total amount of Phase II support, if any, the price cap carrier used for capital expenditures in the previous calendar year.

(2) Build-Out Certifications for Phase II Model-Based Support Recipients (See 12.b):

The Commission adopted build-out milestones for price cap carriers that receive Phase II model-based support. 47 C.F.R. §§ 54.313(e)(3)-(6). OMB has approved the Commission’s proposal to move a modified version of this requirement from this information collection to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing. Specifically, for each state where a price cap carrier elected to receive Phase II model-based support, price cap carriers must make certain certifications in the high cost portal (OMB control number 3060-1228) instead of FCC Form 481. Respondents will no longer be subject to this requirement under this OMB control number. This information collection has been updated to reflect OMB’s determination in that item by deleting the build-out certification for Phase II model-based support recipients from the burden calculations in this collection.

(3) Phase II Non-Compliance Reporting (See 12.e):

Phase II recipients that do not meet their build-out milestones by a certain specified percentage of locations may be required to submit quarterly reports that identify the geocoded locations to which the ETC has newly deployed facilities capable of delivering broadband meeting the requisite requirements with Connect America support the previous quarter. 47 C.F.R. 54.320(d). OMB has approved the Commission’s proposal to move a modified version of this requirement from this information collection to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing. Specifically, Phase II recipients that do not meet their build-out milestones by a certain percentage of locations must submit their additional quarterly reports through the high cost portal (OMB control number 3060-1228) instead of submitting them directly to the Commission. Respondents will no longer be subject to this requirement under this control number. This information collection has been updated to reflect OMB’s determination in that item by deleting this Phase II non-compliance reporting requirement from the burden calculations in this collection.

(4) Five-Year Plans and Progress Reports, Connect America Fund Phase II Requirements, Rate-of-Return Carrier Requirements. 47 C.F.R. § 54.313(a)(1), (e)(1), and (f)(1) (See 12.dd & 12.ee):

Rate-of-return carriers and price cap carriers were required to submit five-year plans and progress reports on those plans in their FCC Form 481. Now that they are required to submit geocoded locations in the location portal that was approved under OMB control number 3060-1228 they would no longer be required to submit five-year plans and progress reports under this control number. Accordingly, the burdens associated with this requirement have

been eliminated from this information collection. Price cap carriers and rate-of-return carriers remain subject to the requirement that they report the number, names, and addresses of community anchor institutions to which they newly began providing access to broadband service in the preceding calendar year in the required template associated with FCC Form 481. To the extent applicable, rate-of-return carriers additionally remain subject to the requirement that they certify they are offering broadband meeting the Commission's requirements upon reasonable request. Accordingly, the burdens associated with these requirements remain in this information collection.

Currently approved requirements in this information collection (no changes to requirements):

Through the Connect America Fund, the Commission provides substantial amounts of funding to private entities in order to deploy advanced voice and broadband networks throughout the country. To ensure these funds are properly used, various reporting requirements are imposed on funding recipients. The reports, information, and certifications discussed in this section must be submitted annually to the Commission, the Administrator, and the relevant state, Tribal, or territorial authorities.

Certain recipients of high-cost support must report the following:

(5) Annual Reporting (See 12.y):

All ETCs must include in their annual reports the information that is currently required by section 54.313, as appropriate. All ETCs that receive high-cost support must file this information with the Commission, USAC, and the relevant state commission, relevant authority in a U.S. Territory, or Tribal government, as appropriate. See 47 C.F.R. § 54.313.

(6) Annual Reporting. 47 C.F.R. § 54.313(a)(7) (See 12.y). The Commission seeks to ensure parity between urban and rural areas for broadband and voice rates. To accomplish this, carriers are required to report pricing information for both voice and broadband offerings.

(7) Annual Reporting. 47 C.F.R. § 54.313(a)(8) (See 12.y). To help the Commission reduce waste, fraud, and abuse, increase accountability in its universal service programs, and ensure compliance with various requirements that take into account holding company structure, support recipients are required to report the holding company, operating companies, affiliates, and any branding (a "dba" or "doing-business-as company" or brand designation), for each such entity by Study Area Codes.

(8) Annual Reporting. 47 C.F.R. § 54.313(a)(10) (See 12.y). To ensure parity between urban and rural rates, ETCs are required to submit a self-certification that the pricing of their voice services is no more than two standard deviations above the national average urban rate for voice services.

(9) Annual Reporting. 47 C.F.R. § 54.313(a)(11) (See 12.y). ETCs are required to submit information and data required by 47 C.F.R. § 54.313(a)(1)-(7) separately broken out for both voice and broadband service. It is necessary and appropriate for the Commission to obtain such information from all ETCs, both federal-and state-designated, to ensure the continued availability of high-quality voice services and monitor progress in achieving the Commission's broadband goals and to assist the FCC in determining whether the funds are being used appropriately. These reporting requirements ensure that ETCs comply with the conditions of the ETC designation and that universal service funds are used for their intended purposes. The Commission is not at this time seeking approval for the requirement that ETCs report information on any outage in the prior calendar year to its broadband service, as required by 47 C.F.R. § 54.313(a)(2). The Commission is not at this time seeking approval for the requirement in this section that ETCs submit the results of network performance tests.

(10) Reasonably Comparable Rate Certification for Broadband for High-Cost Recipients (See 12.d):

The Commission requires high-cost recipients to certify in their FCC Form 481 reports that the pricing of a service that meets the Commission's broadband public interest obligations is no more than the applicable benchmark to be announced annually in a public notice issued by the Wireline Competition Bureau, or is no more than the non-promotional price charged for a comparable fixed wireline service in urban areas in the states or U.S. Territories where the eligible telecommunications carrier receives support. 47 C.F.R. § 54.313(a)(12). Recipients are also required to provide a detailed description of how they did or did not meet this requirement. This certification requirement will enable the Commission to monitor the use of high-cost support and confirm that consumers have access to rates that are reasonably comparable to those offered in urban areas for comparable services.

(11) E-rate Certification Requirement for Phase II Model-Based Support Recipients and Rate-of-Return Carrier High-Cost Recipients (See 12.c):

The Commission will require price cap carriers that elect Phase II model-based support and rate-of-return carriers that receive high-cost support to bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located in within any area in a census block where the price cap carrier is receiving Phase II model-based support or in the service area of a rate-of-return carrier. Such bids must be at rates reasonably comparable to rates charged to eligible schools in libraries in urban areas for comparable offerings. Once this requirement has been fully implemented, price cap carriers that accepted Phase II model-based support and rate-of-return carriers that receive high-cost support will be required to certify in their annual FCC Form 481 reports that they have met this requirement. 47 C.F.R. § 54.313(e)(2)(V). This certification requirement will enable the Commission to monitor price cap carriers' and rate-of-return carriers' compliance with this requirement.

(12) Additional Reporting Requirements for Rural Broadband Experiment Support Recipients (See 12.f):

Recipients of rural broadband experiment support are required to deploy service meeting the Commission's public interest obligations to a set number of locations by specific build-out milestones. The Commission required that rural broadband experiment recipients submit location information so that the Commission can monitor rural broadband experiment recipients' progress in meeting such milestones along with evidence showing that the recipient is deploying service that meets the Commission's public interest obligations. *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8769 (2014). This information is necessary for the Commission to verify that carriers have in fact deployed to the number of locations claimed and that they are meeting the relevant public interest obligations.

Rural broadband experiment recipients must report the following information in their annual report:

- (a) The location's 15-digit census block code,
- (b) The carrier's NECA-assigned operating company code (OCN),
- (c) The carrier's study area code (SAC),
- (d) The latitude (to six decimal places),
- (e) The longitude (to six decimal places),
- (f) The street address, city, state, and zip code for that location,
- (g) The date that the carrier deployed service to that location, and
- (h) The number of units at the location

If two locations have identical latitude and longitude coordinates (e.g., two apartments that are vertically aligned), recipients must provide an explanation for the duplication. If a rural broadband experiment recipient is no longer serving a location that it has reported towards its build-out obligation, it must identify that location as a dropped location and report the listed information.

Rural broadband experiment recipients will also be required to submit evidence demonstrating that recipients are meeting the public service obligations for the relevant experiment category (e.g., marketing materials that show the voice and broadband packages available to each location, detailing the pricing, offered broadband speed, and data usage allowances available in the relevant geographic area) for each location. Parties submitting this information should take steps to ensure that sensitive information is not improperly submitted. Examples of such information are customer proprietary network information (47

U.S.C. § 222; 47 C.F.R. §§ 64.2001-64.2011), records covered by the Electronic Communications Privacy Act (18 U.S.C. § 2702(a)(3), (c)), or records otherwise protected by law for purposes of customer privacy (*see, e.g.*, 47 U.S.C. § 551).

OMB has approved the Commission's proposal to move a modified version of the geocoded location reporting and evidence submission portion of this requirement from this information collection to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing.

Rural broadband experiment recipients will be required to submit their geocoded locations and associated evidence in the July 1, 2017 FCC Form 481 filing. Starting March 1, 2018, they will be required to file this information in the high-cost portal as described in the supporting statement associated with OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing. We will remove the burdens associated with the geocoded location and evidence filing requirement from this information collection after the July 1, 2017 FCC Form 481 filing.

Rural broadband experiment recipients will continue to be required to certify in each FCC Form 481 annual report that the recipient is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8769 (2014). This certification requirement will enable the Commission to monitor rural broadband experiment recipients to ensure they are using the support for its intended purposes and are meeting the relevant public interest obligations.

Finally, recipients of rural broadband experiment support will be required to report in their FCC Form 481 annual reports the number, names, and addresses of community anchor institutions to which the recipients newly began providing access to broadband service in the preceding calendar year. This requirement will be a valuable way for the Commission to monitor how recipients are engaging with community anchor institutions, and learn how the networks supported by the experiments will impact anchor institutions and the communities they serve.

In addition to the other reporting requirements contained in 47 C.F.R. §54.313(a), any recipient of high-cost support that serves Tribal lands must report the following additional information:

(13) Tribal Engagement Reporting. 47 C.F.R. § 54.313(a)(9) (See 12.z). To ensure the effective exchange of information that will lead to a common understanding between Tribal governments and ETCs on the deployment and improvement of communications on Tribal lands, to the extent an ETC serves Tribal lands, it is required to provide documents or information that the ETC engaged with Tribal governments.

In addition to the reporting requirements contained in 47 C.F.R. § 54.313(a), price cap carriers that receive frozen high-cost support must also provide the following additional information:

(14) Connect America Frozen High Cost Support Certification. 47 C.F.R. § 54.313(c) (See 12.bb). The Commission froze support under its high-cost support mechanisms – high-cost loop support (HCLS), safety net additive (SNA), safety valve support (SVS), high-cost model support (HCMS), local switching support (LSS), interstate access support (IAS), and interstate common line support (ICLS) – for price cap carriers and their rate-of-return affiliates, and called it “frozen high-cost support.” Recipients of frozen high-cost support must annually certify that increasing levels of support have been used to achieve the goal of universal availability of voice and broadband. In future years, recipients must certify that a specified proportion of funding was used to build and operate broadband-capable networks used to offer the provider’s own retail broadband service in areas substantially unserved by an unsubsidized competitor.

In addition to the reporting requirements in 47 C.F.R. § 54.313(a), any price cap carriers receiving high-cost support to offset reductions in access charges must provide the following additional information:

(15) Price Cap Carrier High-Cost Support for Access Charges Certification. 47 C.F.R. § 54.313(d) (See 12.cc). All price cap carriers that receive support pursuant to 47 C.F.R. § 54.304, to offset reductions in access charges, must use such support to build and operate broadband-capable networks used to offer the provider’s own retail service in areas substantially unserved by an unsubsidized competitor. To monitor the use of such support and hold recipients accountable to their public interest obligations, recipients of such support must annually certify that they are doing so.

In addition to the reporting requirements in 47 C.F.R. § 54.313(a), any rate-of-return carrier shall provide the following additional information:

(16) Privately Held Rate-of-Return Financial Information. 47 C.F.R. § 54.313(f)(2) (See 12.ff). The Commission can obtain publicly available financial information from publicly traded companies. To ensure that support is sufficient but not excessive, privately held rate-of-return carriers that receive high-cost support must submit various forms of financial statements. Those companies that borrow funds from the Rural Utilities Service (RUS) must submit a copy of their RUS Operating Report for Telecommunications Borrowers. Carriers that do not borrow from RUS, but that undergo financial audits in the ordinary course of business, must either file a copy of their audited financial statements or provide financial information in a form consistent with the RUS Operating Report for Telecommunications Borrowers. Carriers that are not audited in the ordinary course of business must either file a financial statement that has been subject to review by a certified public accountant or file financial information in a format consistent with the RUS Operating Report for Telecommunications Borrowers. These financial disclosures may be filed pursuant to a protective order.

In addition to other applicable reporting requirements, carriers without access to terrestrial backhaul that are compelled to rely exclusively on satellite backhaul in their study areas must file the following additional certification:

(17) Carriers Lacking Terrestrial Backhaul Certification. 47 C.F.R. § 54.313(g) (See 12.gg). The Commission recognizes that satellite backhaul may limit the performance of broadband networks as compared to terrestrial backhaul, thus carriers are compelled to rely exclusively on satellite backhaul in their study area must certify that no terrestrial backhaul options exist. Any such funding recipients must certify annually that no terrestrial backhaul options exist and that they offer broadband service at actual speeds of at least 1 Mbps downstream and 256 kbps upstream within the supported area served by satellite middle-mile facilities. Latency and capacity requirements will not apply to these providers. To the extent that new terrestrial backhaul facilities are constructed, or existing facilities improved sufficiently to meet the relevant speed, latency, and capacity requirements then in effect for broadband service supported by Connect America, within twelve months of the new backhaul facilities becoming commercially available, funding recipients must provide the certifications required in 47 C.F.R. § 54.313(e) or (f) in full.

Carriers providing updates to their reported rate information submit the following information:

(18) Residential Rate Updates. 47 C.F.R. § 54.313(h) (See 12.hh). All incumbent local exchange carrier recipients of high-cost support must already report all of their rates for residential local service for all portions of their service area, as well as state fees (state subscriber line charges, state universal service fees and mandatory extended area service charges), to the extent the sum of those rates and fees are below the rate floor, and the number of lines for each rate specified. Carriers shall report lines and rates in effect as of June 1. In addition to the annual filing, local exchange carriers may file updates of their rates for residential local service, as well as state fees, on January 2 of each year. If a local exchange carrier reduces its rates and the sum of the reduced rates and state fees are below the rate floor, the local exchange carrier shall file such an update. For the update, carriers shall report lines and rates in effect as of December 1.

Price cap carriers that accept Phase I incremental support are required to meet the following requirements:

(19) Geocoded Information for Phase I Two- and Three-Year Milestone Reports. 47 C.F.R. § 54.313(b) (See 12.g). 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). These reports must 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.

(20) Broadband Initiatives Program/Broadband Technology Opportunities Program Annual Milestone Reports. 47 C.F.R. § 54.313(b)(2)(i) (See 12.h). 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 requires 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).

(21) Phase I Investment Annual Milestone Reports. 47 C.F.R. § 54.313(b)(2)(ii) (See 12.i). 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 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.

(22) Connect America Fund Phase I Incremental Support Acceptance (See 12.v & aa):

Carriers accepting Connect America Fund Phase I incremental support will be required to meet defined broadband deployment obligations. Eligible carriers will be required to notify the Commission, USAC, as well as relevant state and Tribal authorities of the amount, if any, of funds they accept. Carriers accepting funding must certify that (a) the locations that will be served in satisfaction of the deployment requirement associated with its identified funds are shown as unserved by fixed terrestrial broadband on the then-current version of the National Broadband Map, or are shown as served only by the incumbent carrier seeking to meet build-out obligations; (b) to the best of the carrier's knowledge, its identified locations are, in fact, unserved by fixed terrestrial broadband; (c) the carrier's current capital improvement plan did not already include plans to complete broadband deployment, without CAF Phase I incremental support, within the next three years to the locations to be counted to satisfy its deployment requirement; and (d) incremental support will not be used to satisfy any merger commitment or similar regulatory obligation. Carriers accepting funding will also be required to identify, for each location to be counted toward satisfaction of the carrier's deployment obligation, the following information: the location's census block information based on the FIPS code, the carrier's OCN, the carrier's SAC, the wire center's eight-digit CLLI code, the latitude (to 6 decimal places), and the longitude (to 6 decimal places). Carriers accepting funding have the option of providing all of the required location-identifying information at the time they file their notice of acceptance of support, or, in the alternative, they may elect to only identify the census blocks and wire centers where they will deploy. Carriers electing this latter option must provide all required information for each location no later than one year after filing notices of acceptance for purposes of satisfying the carrier's deployment obligation. That is, carriers electing to initially provide only census block and wire center information must provide complete location information for all of their locations no later than one year after they file their notices of acceptance. See 47 C.F.R. § 54.312(b).

In addition, to evaluate and ensure that recipients of Connect America Phase I support are meeting their public service build-out obligations, the Commission requires periodic reports on the progress of deployments. Therefore, any recipient of incremental Connect America Phase I support must certify that two years after filing a notice of acceptance of funding, the recipient has deployed to no fewer than two-thirds of the required number of locations. Three years after accepting funding, the recipient must certify that it has deployed to all required locations and that it is offering broadband service of at least 4 Mbps downstream and 1 Mbps upstream, with latency sufficiently low to enable the use of real-time communications, including Voice over Internet Protocol, and with usage caps, if any, that are reasonably comparable to those in urban areas. See 47 C.F.R. § 54.313(b).

(23) Changes in Phase I Deployments (See 12.j):

47 C.F.R. § 54.312(b)(3). 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 by submitting a letter in WC Docket No. 10-90, 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.

(24) Connect America Fund Phase I Certifications (See 12.k):

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.

The following certifications apply only to Phase I funds accepted in 2013 or later. 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 in a letter filed in WC Docket No. 10-90:

- 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.

Additional requirements include:

(25) State Certification Letter under 254(e) of the Act (See 12.s):

The Commission requires that states (or ETCs where the state lacks jurisdiction over ETCs) file annual certifications with the Commission to ensure that carriers use universal service support "only for the provision, maintenance and upgrading of facilities and services for which the support is intended" consistent with section 254(e). Accordingly, the Commission requires states that wish to receive federal universal service high-cost support for carriers within their boundaries (or ETCs where the state lacks jurisdiction over ETCs) to file a certification with the Commission and USAC stating that all federal high-cost funds flowing to carriers in that state has been and will be used in a manner consistent with section 254(e). Absent such certification, carriers will not receive such support. See 47 C.F.R. § 54.314.

The Commission recognizes that some state commissions may have only limited regulatory oversight to ensure that federal support is reflected in intrastate rates. States nonetheless may certify to the Commission that a carrier in the state has accounted to the state commission for its receipt of federal support and that such support has been and will be used "only for the provision, maintenance and upgrading of facilities and services for which the support is intended." Incumbent and competitive ETCs serving lines in the state may formulate plans to ensure compliance with section 254(e), and present those plans to the state, so that the state may make the appropriate certification to the Commission. Absent the filing of such certification, carriers will not receive support. See 47 C.F.R. § 54.314.

(26) Support in Competitive Study Areas (See 12.t):

Rural carriers and competitive ETCs are required to file line count data on a quarterly basis upon competitive entry in rural carrier study areas. The rural carrier line counts are used to determine the appropriate per-line support for competitive eligible telecommunications carriers serving the same area. The competitive eligible telecommunications carrier's line counts (collected on FCC Form 525) are used to calculate their total support.

(27) Safety Valve (See 12.u):

The "safety valve" mechanism enables rural carriers acquiring access lines to receive additional support over a period of five years to reflect post-transaction investment made by the acquiring carrier. Once relevant regulatory approvals are obtained and the transaction is closed, the rural carrier must provide written notice to USAC that they have acquired access lines that may become eligible for safety valve support and identify when the index year for determining eligibility began. See 47 C.F.R. § 54.305(f).

(28) Local End User Rates and State Regulated Fees (See 12.w):

The Commission requires carriers receiving high-cost loop support or Connect America Phase I support to report, on an annual basis, the local end user rates that fall below a specified urban rate floor and the number of lines associated with each rate. See 47 C.F.R. § 54.313(h). This permits USAC to calculate reductions in support. Carriers are expected to provide local end user rate and state fee information in electronic form.

(29) Recordkeeping Requirement (See 12.x):

Carriers receiving high-cost or Connect America Fund support are subject to random compliance audits and other investigations to ensure compliance with program rules and orders, and carriers must retain records required to demonstrate to auditors that the support received was consistent with the universal service high-cost program rules. The document retention period is ten years. The carriers must make these documents and records available to the Commission, any of its Bureaus or Offices, USAC, and to their respective auditors. See 47 C.F.R. § 54.320(b).

(30) Connect America Fund Phase II Challenges and Responses (See 12.l):

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).

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.

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.

(31) Line Counts (FCC Form 507) (See 12.r and q).

Rate-of-return carriers are required to file FCC Form 507 to report their line counts for voice lines, by disaggregation zone and customer class, including line counts for consumer broadband-only lines. See 47 C.F.R. §§ 54.902(a)(1)-(2). The collection of line counts for broadband only lines allows the Commission to monitor the provision of services supported by CAF-BLS.

FCC Form 507, "Connect America Fund-Broadband Loop Support Mechanism Line Count Report," is attached, reflecting the current requirements. This data is collected annually, on July 31. Carriers may also voluntarily file line count data on a quarterly basis.

A carrier must also certify that the line count data are accurate to the best of the carrier's knowledge and ability. If a carrier elects to have an agent for the carrier perform the filing on its behalf, the carrier must authorize the agent to make the filing and certify that it has

provided accurate data to the agent for the purpose of performing the filing. The agent must then also certify that the line count data are accurate to the best of its knowledge and ability.

(32) Projected Cost and Revenue Data (FCC Form 508) (See 12.m, n, and q).

Rate-of-return carriers file their projected common line cost and revenue data on FCC Form 508. See 47 C.F.R. §§ 54.902(c)(1), 54.903(a)(1), and 54.903(a)(3). USAC uses this data to calculate a “provisional” ICLS amount for each carrier, which is later trued-up based on actual cost and revenue data filed on FCC Form 509. Consistent with their average schedule status, average schedule companies are required to submit information necessary in order for the Administrator to calculate common line revenue requirements for average schedule companies.

FCC Form 508, “Connect America Fund-Broadband Loop Support Mechanism Projected Cost and Revenue,” collects projected consumer broadband-only loop cost and revenue data, in addition to the common line cost and revenue data, as necessary to implement the CAF-BLS mechanism. Carriers file forecasted data covering the upcoming July 1 to June 30 funding year on March 31 each year.

In accordance with 47 C.F.R. § 54.705, the Administrator has the authority to perform audits of beneficiaries of the CAF-BLS (formerly known as ICLS) mechanism to ensure the accuracy of data submitted.

A carrier must also certify that the projected data are accurate to the best of the carrier’s knowledge and ability and that the cost data are compliant with the Commission’s cost allocation rules and do not reflect duplicative assignment of costs to the consumer broadband-only loop and special access categories. If a carrier elects to have an agent perform the filing on its behalf, the carrier must authorize the agent to make the filing and certify that it has provided accurate data to the agent for the purpose of performing the filing. The agent must then also certify that the projected data are accurate to the best of its knowledge and ability. Carriers must file the data by March 31 for the following July 1 to June 30 funding year. Carriers are no longer permitted to file updates to the data prior to June 30 due to the requirement that the Administrator calculate and publish forecasted CAF-BLS to be used in setting tariff rates.

(33) Actual Cost and Revenue Data (FCC Form 509) (See 12.o, p, and q).

Rate-of-return carriers file their actual common line cost and revenue data for the prior calendar year annually on December 31. See 47 C.F.R. §§ 54.902(a)(1), 54.902(b)(1), 54.902(b)(3), and 54.903(a)(4). The Administrator uses the data to calculate final ICLS amounts, which are reconciled against the ICLS provided previously based on forecasted data collected on FCC Form 508. Consistent with their average schedule status, average schedule companies are required to submit information necessary for the Administrator to calculate common line revenue requirements for average schedule companies.

FCC Form 509, “Connect America Fund-Broadband Loop Support Actual Cost and Revenue

Data,” is used to collect actual consumer broadband-only loop cost and revenue data, in addition to common line cost and revenue data, as necessary to implement the new CAF-BLS mechanism. On December 31 each year, carriers file actual data covering the prior calendar year. The additional data will be collected beginning December 31, 2018, for the 2017 calendar year. Data collected on December 31, 2016 and 2017 will include only common line cost and revenue data.

In accordance with 47 C.F.R. § 54.705, the Administrator has the authority to perform audits of beneficiaries of the CAF-BLS (formerly known as ICLS) mechanism to ensure the accuracy of data submitted.

A carrier must also certify that the actual data are accurate to the best of the carrier’s knowledge and ability and that the cost data is compliant with the Commission's cost allocation rules and does not reflect duplicative assignment of costs to the consumer broadband-only loop and special access categories. If a carrier elects to have an agent perform the filing on its behalf, the carrier must authorize the agent to make the filing and certify that it has provided accurate data to the agent for the purpose of performing the filing. The agent must then also certify that the projected data are accurate to the best of its knowledge and ability.

Statutory authority for this information collection is contained in 47 U.S.C. sections 151-154, 155, 201-206, 214, 218-220, 251, 252, 254, 256, 303(r), 332, 403, 405, 410, and 1302.

This information collection 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 requirements to determine whether and to what extent incumbent LECs and competitive ETCs providing the data are eligible to receive high-cost universal service support. The Commission will also 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. Respondents must file Form 481 online through USAC’s “E-File” portal at <https://forms.universalservice.org/usaclogin/login.asp>.
4. *Efforts to identify duplication.* There will be no duplication of information. The information sought is unique to each carrier or respondent 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 collection of information may affect small entities as well as large 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 to limit the burden as much as possible 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 determine eligibility for and to calculate high-cost universal service support. Without the requested information, USAC will not be able to determine a carrier's eligibility or how much support it would receive. This may result in partial or complete denial of high-cost universal service support for the carrier. The information collected is also used to ensure compliance with the deployment requirements of Phase I, Phase II, and the rural broadband experiments. Without the submission of location information or funding usage, the Commission would be unable to verify that recipients had met their Connect America deployment obligations. Without the Phase I, Phase II, and rural broadband experiment certifications, Connect America funds could be used to deploy to areas that are not eligible for funding, resulting in a waste of federal funds.
7. *Special circumstances.* We do not foresee any special circumstances with this information collection.
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 December 27, 2016 (81 FR 95138). We received one comment in response to this notice. See Comments of NTCA-The Rural Broadband Association, OMB Control No. 3060-0986 (filed Feb. 27, 2017) (NTCA Comments). NTCA-The Rural Broadband Association (NTCA) requests that the Commission publicly release the draft of the amended Form 481 before taking further action. As NTCA notes, previous versions of Form 481 are already available, as are the Commission orders requiring modifications to the form. The draft revised Form 481 also will be publicly available when it is submitted to OMB for approval and placed on 30-day notice in the *Federal Register*. It is therefore unnecessary to separately publish the draft form to "help ensure that the form encompasses only the data necessary to effectuate the purpose of the information collection." See NTCA Comments at 2.

NTCA also asks that the Commission eliminate certain categories of financial data that filers must submit in addition to financial statements, "to further reduce the burden of Form 481." See NTCA Comments at 3. In particular, NTCA highlights the "Telephone Plant in Service" and "Revenues" fields in the Financial Data Summary section of the form. NTCA argues that the data captured by those fields are unlikely to provide any more information than what is already provided by an audited financial statement. This submission does not modify the requirements for submitting this data and is designed to capture data that is necessary for program administration. Moreover, by allowing carriers to submit their audited financial data in PDF format, the Commission has already minimized the burden associated with this

portion of the information collection. Carriers need only enter a handful of numbers from their financial data separately to facilitate USAC's electronic access to the data.

A 30-day notice was published in the *Federal Register* pursuant to 5 C.F.R. § 1320.12(c) on March 31, 2017 (82 FR 16037). *See also* Information Collection Being Reviewed by the Federal Communications Commission, 82 FR 18146 (Apr. 17, 2017) (correcting the March 31, 2017 notice). The National Tribal Telecommunications Association (NTTA) filed comments in response to this notice. *See* Comments of The National Tribal Telecommunications Association, OMB Control No. 3060-0986 (filed May 1, 2017). NTTA's comments present three specific arguments regarding this information collection. First, NTTA argues that the Commission should remove the requirement for state-designated ETCs to file Form 481. The Commission has already considered and declined to exempt state-designated ETCs from the reporting requirements associated with Form 481. *See Connect America Fund, A National Broadband Plan for Our Future, et al.*, Third Order on Reconsideration, 27 FCC Rcd 5622, para. 4 (2012). Further, these reporting requirements are the result of the Commission's efforts to improve performance management and strengthen oversight of the high-cost program, as recommended by the Government Accountability Office. *See* U.S. Government Accountability Office, GAO-08-633, *FCC Needs to Improve Performance Management and Strengthen Oversight of the High-Cost Program* (2008), available at <http://www.gao.gov/assets/280/276640.pdf>. Second, NTTA argues that the FCC should eliminate certain reporting requirements that are under the purview of state commissions. Streamlining and eliminating ETC reporting requirements is already under active consideration in a separate Commission proceeding. *See Connect America Fund; ETC Annual Reports and Certifications; Developing a Unified Intercarrier Compensation Regime*, Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087, 3229, paras. 387-393 (2016). Finally, NTTA suggests that the Commission eliminate Form 507 in its entirety and combine Forms 508 and 509. NTTA argues that Form 507 is duplicative because there are other sources for the same data; however, Form 507 remains the only source of the data that the Commission may use at this time. In any case, we make no changes to Forms 507, 508, and 509 in this information collection.

9. *Payments or gifts to respondents.* The Commission does not anticipate providing any payment or gifts to respondents.
10. *Assurances of confidentiality.* Parties may submit confidential information in relation to sub-item ii. in Item 12 below pursuant to a protective order. We note that USAC must preserve the confidentiality of all data obtained from respondents and contributors to the universal service support program mechanism; must not use the data except for purposes of administering the universal service support program; and must not disclose data in company-specific form unless directed to do so by the Commission. Also, respondents may request materials or information submitted to the Commission or to the Administrator believed confidential to be withheld from public inspection under 47 C.F.R. § 0.459 of the FCC's rules.

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 (only items m through u are being revised at this time):

a. Geocoded Information and Capital Operating Expense Data for Phase II Model-Based Support Recipients (Form 481) (The Commission has moved a revised version of the geocoded location portion of this reporting requirement from this information collection to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing):

- (1) Number of respondents: Approximately 9. Only price cap carriers that elect to receive Phase II model-based support must report this data.
- (2) Frequency of response: Annually. Each price cap carrier accepting funding must file the reports annually after accepting support.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 1 hour.
- (5) Total annual hour burden: 9 hours.

1 hour per respondent for 9 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

9 respondents x 1 report per respondent = 9 responses x 1 hour = **9 total annual hours.**

- (6) Total estimate of in-house cost to respondents: \$360. (9 hours x \$40/hr.).
- (7) Explanation of calculation: We estimate that each Phase II model-based support recipient will take 1 hour to gather and submit the total amount of Phase II support paid for capital expenses to the Commission:

9 (responses) x 1 (hours to prepare report) x \$40/hr. = \$360.

b. Build-Out Certifications for Phase II Model-Based Support Recipients (Form 481) (The Commission has moved a modified version of this reporting requirement from this information collection to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing):

- (1) Number of respondents: 0.
- (2) Frequency of response: Annually.

(3) Total number of responses per respondent: 0.

(4) Estimated time per response: 0 hours.

(5) Total annual hour burden: 0 hours.

0 hours per respondent for 0 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

0 respondents x 0 report per respondent = 0 responses x 0 hours = **0 total annual hours**.

(6) Total estimate of in-house cost to respondents: \$ 0. (0 hours x \$40/hour).

(7) Explanation of calculation: Given the transfer of this requirement to OMB control number 3060-1228, for purposes of this information collection, the total annual hour burden and in-house costs for respondents will be 0.

c. E-rate Certification for Phase II Model-Based Support Recipients and Rate-of-Return Carrier High-Cost Recipients (Form 481) (no revisions):

(1) Number of respondents: Approximately 1,150. Only price cap carriers that elect to receive Phase II model-based support and rate-of-return carriers that receive high-cost support must make this certification.

(2) Frequency of response: Annually. Carriers accepting Phase II model-based support and rate-of-return carriers that receive high-cost support will be required to file this certification once the requirement has been fully implemented.

(3) Total responses per respondent: Approximately 1.

(4) Estimated time per response: 2 hours.

(5) Total annual hour burden: 2,300 hours.

2 hours per respondent for 1,150 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

1,150 respondents x 1 report per respondent = 1,150 responses x 2 hours = **2,300 total annual hours**.

(6) Total estimate of in-house cost to respondents: \$92,000. (2,300 hours x \$40/hour).

(7) Explanation of calculation: We estimate that each carrier that accepted Phase II model-based support and each rate-of-return carrier that receives high-cost support will spend at least 2 hours certifying that it has met the E-rate requirements.

1,150 (responses) x 2 (hours to confirm and certify compliance) x \$40/hr. = \$92,000.

d. Reasonably Comparable Rates Certification for Broadband (Form 481) (no revisions):

- (1) Number of respondents: Approximately 1,174. Almost all price cap carriers, rate-of-return carriers, and rural broadband experiment recipients will be required to make this certification.
- (2) Frequency of response: Annually. Carriers will be required to file this certification with their annual reports.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 4 hours.
- (5) Total annual hour burden: 4,696 hours.

4 hours per respondent for 1,174 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

1,174 respondents x 1 report per respondent = 1,174 responses x 4 hours = **4,696 total annual hours.**

- (6) Total estimate of in-house cost to respondents: \$187,840. (4,696 hours x \$40/hour).
- (7) Explanation of calculation: We estimate that each carrier that accepted Phase II model-based support and each rate-of-return carrier that receives high-cost support will spend at least 4 hours certifying that it has met the reasonably comparable rates requirements.

1,174 (responses) x 4 (hours to confirm and certify compliance) x \$40/hr. = \$187,840.

e. Phase II Non-Compliance Reports (The Commission moved a modified version of this reporting requirement from this information collection to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing):

- (1) Number of respondents: 0.
- (2) Frequency of response: Quarterly.
- (3) Total number of responses per respondent: 0.
- (4) Estimated time per response: 0 hours.
- (5) Total annual hour burden: 0 hours.

0 hours per respondent for 0 carriers filing on a quarterly basis. Total annual hour burden is calculated as follows:

0 respondents x 0 reports per respondent = 0 responses x 0 hours = **0 total annual hours.**

(6) Total estimate of in-house cost to respondents: \$0. (0 hours x \$40/hour).

(7) Explanation of calculation: Given the transfer of this requirement to OMB control number 3060-1228, for purposes of this information collection, the total annual hour burden and in-house costs for respondents will be 0.

f. Additional Annual Reporting for Rural Broadband Experiments (Form 481) (The Commission has moved a modified version of the geocoded location reporting and evidence submission portion of this requirement from this information collection to OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing):

(1) Number of respondents: Approximately 20. Only recipients of rural broadband experiment support must report this data and make these certifications.

(2) Frequency of response: One-time and annually. Rural broadband experiment recipients will be required to submit their geocoded locations and associated evidence in the July 1, 2017 FCC Form 481 filing. Starting March 1, 2018, they will be required to file this information in the high-cost portal as described in the supporting statement associated with OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing. Each rural broadband experiment recipient must make the remaining certifications annually after being authorized to receive support.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 30 hours.

(5) Total annual hour burden: 600 hours.

30 hours per respondent for 20 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

20 respondents x 1 certification per respondent = 20 responses x 30 hours = **600 total annual hours.**

(6) Total estimate of in-house cost to respondents: \$24,000. (600 hours x \$40/hr.).

(7) Explanation of calculation: We estimate that each rural broadband experiment support recipient will take 30 hours to gather and submit the location data and evidence and community anchor institution data to the Commission and make the required certification:

20 (responses) x 30 (hours to prepare certification) x \$40/hr. = \$24,000.

g. Geocoded Information for Phase I Two-and Three-Year Milestone Reports (Form 481) (no revisions):

- (1) Number of respondents: Approximately 8. 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) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 6 hours.
- (5) Total annual hour burden: 48 hours.

6 hours per respondent for 8 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

8 respondents x 1 report per respondent = 8 responses x 6 hours = **48 total annual hours.**

- (6) Total estimate of in-house cost to respondents: \$1,920. (48 hours x \$40/hr.).
- (7) 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:

8 (responses) x 6 (hours to prepare report) x \$40/hr. = \$1,920.

h. Broadband Initiatives Program/Broadband Technology Opportunities Program Annual Milestone Reports (Form 481) (no revisions):

- (1) Number of respondents: Approximately 8. 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) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 3 hours.
- (5) Total annual hour burden: 24 hours.

3 hours per respondent for 8 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

8 respondents x 1 report per respondent = 8 responses x 3 hours = **24 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.

(6) Total estimate of in-house cost to respondents: \$960. (24 hours x \$40/hr.).

(7) 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.

8 (responses) x 3 (hours to prepare certifications) x \$40/hr. = \$960.

i. Phase I Investment Annual Milestone Reports (Form 481) (no revisions):

(1) Number of respondents: Approximately 8. 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) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 20 hours.

(5) Total annual hour burden: 160 hours.

20 hours per respondent for 8 carriers filing on an annual basis. Total annual hour burden is calculated as follows:

8 respondents x 1 report per respondent = 8 responses x 20 hours = **160 total annual hours.**

(6) Total estimate of in-house cost to respondents: \$6,400. (160 hours x \$40/hr.).

(7) 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.

8 (responses) x 20 (hours to prepare reports) x \$40/hr. = \$6,400.

j. Changes in Phase I Deployments (no revisions):

- (1) Number of respondents: Approximately 8. 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) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 6 hours.
- (5) Total annual hour burden: 48 hours.

6 hours per respondent for 8 carriers filing on an occasional basis. Total annual hour burden is calculated as follows:

8 respondents x 1 report per respondent = 8 responses x 6 hours = **48 total annual hours.**

Of these 48 hours, the Commission believes that:

Reporting: 47 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.

- (6) Total estimate of in-house cost to respondents: \$1,920. (48 hours x \$40/hr.).
- (7) 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.

8 (responses) x 6 (hours to prepare reports) x \$40/hr. = \$1,920.

k. Connect America Phase I Certifications (no revisions):

- (1) Number of respondents: Approximately 8. Only price cap carriers that elect to receive Phase I funding must complete these certifications.
- (2) Frequency of response: One-time, or occasionally if certifications need to be amended. 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) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 20 hours.

(5) Total annual hour burden: 160 hours.

20 hours per respondent for 8 carriers filing on an occasional basis. Total annual hour burden is calculated as follows:

8 respondents x 1 election per respondent = 8 responses x 20 hours = **160 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.

(6) Total estimate of in-house cost to respondents: \$6,400. (160 hours x \$40/hr.).

(7) 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.

8 (responses) x 20 (hours to prepare elections) x \$40/hr. = \$6,400.

I. Connect America Phase II Challenges and Responses (FCC Form 505) (no revisions):

(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 party being challenged.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 10 hours.

(5) Total annual hour burden: 1,000 hours.

Total annual hour burden is:

10 hours x 100 responses = **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 hours are to notify the other respondents of these changes.

(6) Total estimate of in-house cost to respondents: \$40,000. (1,000 hours x \$40/hr.).

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

100 (responses) x 10 (hours to prepare its challenge or response) x \$40/hr. = \$40,000.

m. Projected CAF-BLS Cost and Revenue Data (Rate-of-Return Carriers) (FCC Form 508) (no revisions):

(1) Number of respondents: Approximately 766 Rate-of-Return carriers.

(2) Frequency of response: Annual reporting requirement.

The Commission estimates that the Rate-of-Return carriers report to the Administrator their projected common line cost and revenue data and projected consumer broadband-only loop cost and revenue data for each study area in which they operate.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 2 hours.

(5) Total annual hour burden: 1,532 hours.

2 hours per respondent for 766 carriers that file on an annual basis.

766 respondents x 1 report per respondent = 766 responses x 2 hours = **1,532 total annual hours**. The Commission estimates that respondents require approximately two hours to prepare and report their projected common line revenue requirements for each study area in which they operate.

(6) Total Estimate of in-house cost to respondents: \$61,280. (1,532 hours x \$40.00/ hr.).

- (7) Explanation of calculation: We estimate that time to comply with the requirement will be 766 (responses) x 2 (hours to prepare and report data) x \$40/hr. = \$61,280.

n. Projected CAF-BLS Cost and Revenue Data (Average Schedule Carriers) (FCC Form 508) (no revisions):

- (1) Number of Respondents: Approximately 366 average schedule carriers.
- (2) Frequency of response: Annual reporting requirement.

The Commission estimates that the average schedule carriers are required to submit information annually that is necessary for the Administrator to calculate common line and consumer broadband-only cost and revenue data for average schedule companies.

- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 1 hour.
- (5) Total annual hour burden: 366 hours.

1 hour per respondent for 366 carriers that file on an annual basis. Total annual hour burden is calculated as follows:

366 respondents x 1 submission per respondent = 366 responses x 1 hour = **366 total annual hours**. The Commission estimates that the carriers require one hour to prepare and submit their information.

- (6) Total estimate of in-house cost to respondents: \$14,640. (366 hours x \$40.00/hr.).
- (7) Explanation of calculation: We estimate that time to comply with the requirement will be 366 (responses) x 1 (hour to prepare and submit their information) x \$40/hr. = \$14,640.

o. CAF-BLS Actual Cost and Revenue Data (Annually) (FCC Form 509) (no revisions):

- (1) Number of respondents: Approximately 766 Rate-of-Return carriers.
- (2) Frequency of response: Annual reporting requirement.

Rate-of-Return carriers must report on December 31st of each year, to the Administrator, their actual interstate common line and consumer broadband-only loop cost and revenue data.

- (3) Total number of responses per respondent: Approximately 1.

- (4) Estimated time per response: 4 hours.
- (5) Total annual hour burden: 3,064 hours.

4 hours per respondent for 766 carriers that file on an annual basis. Total annual hour burden is calculated as follows:

766 respondents x 1 response per respondent = 766 responses x 4 hours = **3,064 total annual hours**. The Commission estimates that each rate-of-return carrier requires approximately four hours to prepare and submit to the Administrator its actual interstate common line and consumer broadband-only loop cost and revenue data.

- (6) Total estimate of in-house cost to respondents: \$122,560. (3,064 hours x \$40/hr.).
- (7) Explanation of calculation: We estimate that time to comply with the requirement will be 766 (responses) x 4 (hours to prepare and submit cost and revenue data) x \$40/hr. = \$122,560.

p. CAF-BLS True Ups (Average Schedule Carriers) (FCC Form 509) (no revisions):

- (1) Number of respondents: Approximately 366 average schedule carriers.
- (2) Frequency of response: Annual reporting requirements.

The Commission estimates that each average schedule carrier makes one information report annually.

- (3) Total responses per respondent: Approximately 1.
- (4) Estimated time per response: 1 hour.
- (5) Total annual hour burden: 366 hours.

1 hour per respondent for 366 carriers that are filing on an annual basis. Total annual hour burden is calculated as follows:

366 respondents x 1 report per respondent = 366 responses x 1 hour = **366 total annual hours**. The Commission estimates that average schedule carriers require approximately one hour to submit information that is necessary for the Administrator to calculate the common line and consumer broadband-only loop revenue requirements for average schedule companies.

- (6) Total estimate of in-house cost to respondents: \$14,640. (366 hours x \$40/hr.).

- (7) Explanation of calculation: We estimate that time to comply with the requirement will be 366 (number of responses) x 1 (hour to report and submit information) x \$40/hr. = \$14,640.

q. Validation of CAF-BLS Cost and Revenue, filed in response to the Administrator's request for further validation (no revisions):

- (1) Number of respondents: Approximately 100 carriers.
(2) Frequency of response: Annual reporting requirements.

(3) Total annual responses per respondent: Approximately 1. The Commission estimates that respondents make one information submission annually.

- (4) Estimated time per response: 4 hours.

- (5) Total annual hour burden: 400 hours.

4 hours per respondent for 100 carriers that file on an annual basis. Total annual hour burden is calculated as follows:

100 respondents x 1 submission per respondent = 100 responses x 4 hours = **400 total annual hours**. The Commission estimates that respondents require approximately four hours to prepare and submit information necessary for the Administrator to calculate common line and consumer broadband-only loop revenue requirements for average schedule companies.

- (6) Total estimate of in-house cost to respondents: \$16,000. (400 hours x \$40/hr.).

- (7) Explanation of calculation: We estimate that time to comply with the requirement will be 100 (responses) x 4 (hours to prepare and submit data) x \$40/hr. = \$16,000.

r. CAF-BLS Line Counts (FCC Form 507) (no revisions):

- (1) Number of respondents: Approximately 1,132 Rate-of-Return carriers.
(2) Frequency of response: Annually.

The Commission estimates that each carrier must file one line count data submission with the Administrator annually.

- (3) Total number of responses per respondent: Approximately 1.
(4) Estimated time per response: 6 hours.

(5) Total annual hour burden: 6,792 hours.

6 hours per respondent for 1,132 carriers that are filing on an annual basis. Total annual hour burden is calculated as follows:

1,132 respondents x 1 submission per respondent = 1,132 responses x 6 hours, = **6,792 total annual hours**. The Commission estimates that each carrier requires approximately six hours to prepare and submit its line count data annually, by disaggregation zone, if applicable, and customer class.

(6) Total estimate of in-house cost to respondents: \$271,680. (6,792 hours x \$40/hr.).

(7) Explanation of calculation: We estimate that time to comply with the requirement will be 1,132 (number of responses) x 6 (hours to prepare and submit line count data) x \$40/hr. = \$271,680.

s. State Certification Letter Under 254(e) (no revisions):

(1) Number of respondents: 61 respondents. (51 states, plus approximately 10 carriers will have to file this certification).

(2) Frequency of response: Annual reporting requirement. Each state commission must file a letter with the Commission certifying that a carrier within the state had accounted for its receipt of federal support in its rates or otherwise used the support for the “provision, maintenance, and upgrading of facilities and services for which the support is intended” in accordance with section 254(e). Carriers that are not under a state regulatory authority will have to file with the Commission directly.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 3 hours.

(5) Total annual hour burden: 183 hours.

Total annual hour burden is: 61 respondents x 1 certification per respondent = 61 responses x 3 hours = **183 hours**.

(6) Total estimate of in-house cost to respondents: \$7,320. (183 hours x \$40/hr.).

(7) Explanation of calculation. We estimate that each respondent will spend 3 hours complying with this requirement. 61 (responses) x 3 (hours to prepare certification letter) x \$40/hr. = \$7,320.

t. Support in Competitive Study Areas: (FCC Form 525) (no revisions):

- (1) Number of respondents: 15. Approximately 14 competitive ETCs serving remote parts of Alaska and one tribally owned competitive ETC will have to submit line count data quarterly.
- (2) Frequency of response: Quarterly reporting requirement. Each carrier must file line count data with USAC upon competitive entry in rural carrier study areas.
- (3) Total number of responses per respondent: Approximately 4.
- (4) Estimated time per response: 6 hours.
- (5) Total annual hour burden: 360 hours.

Total annual hour burden is: 15 respondents x 4 reports per respondent = 60 responses x 6 hours = **360 hours**.

- (6) Total estimate of in-house cost to respondents: \$14,400. (360 hours x \$40/hr.).
- (7) Explanation of calculation: We estimate that 15 competitive ETCs will submit line count data quarterly, x 6 hours to complete x \$40/hr. when preparing the worksheet. 60 (responses) x 6 (hours to prepare line count data worksheet) x \$40/hour = \$14,400.

u. Safety Valve (no revisions):

- (1) Number of respondents: 25 rural carriers will have to file a notice.
- (2) Frequency of response: On occasion reporting requirement and third party disclosure requirement. Rural carriers shall provide written notice to USAC when their index year has been established for purposes of calculating eligibility for safety valve support.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: .5 hours.
- (5) Total annual hour burden: 13 hours.

Total annual hour burden is: 25 respondents x 1 notice per respondent = 25 responses x .5 hours = 13 hours (rounded up).

- (6) Total estimate of in-house cost to respondents: \$520. (13 hours x \$40/hr.).
- (7) Explanation of calculation: We estimate that each carrier will spend .5 hour drafting a notice to USAC indicating when their index year has been established for purposes of calculating eligibility for safety valve support. 25 (responses) x .5 (hours to prepare notice) = 13 (rounded up) x \$40/hr. = \$520.

v. Connect America Fund Phase I Incremental Support Acceptance (no revisions):

- (1) Number of respondents: Approximately 8 holding companies of price cap carriers will have to report the incremental funding, if any, they accept. Those carriers accepting funding will also be required to identify by wire center and census block the areas to which they will deploy broadband service.
- (2) Frequency of response: On occasion. The Commission intends to make funds available annually until this support mechanism is terminated. Eligible carriers must file with the Commission, USAC, as well as relevant state and Tribal authorities.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 6 hours.
- (5) Total annual hour burden: 48 hours.

6 hours per respondent for 8 respondents filing annually. Total annual hour burden is: 8 respondents x 1 report per respondent = 8 responses x 6 hours = **48 hours**.

- (6) Total estimate of in-house cost to respondents: \$1,920. (48 hours x \$40/hour).
- (7) Explanation of calculation: We estimate that each carrier accepting funding will spend at least 6 hours reporting the funding they accept and identify the applicable wire center and census blocks they will be deploying broadband to meet their deployment obligations. 8 (responses) x 6 (hours to identify the applicable wire center and census blocks and prepare the relevant reporting documents) x \$40/hr. = \$1,920.

w. Local End User Rates and State Regulated Fees (no revisions):

- (1) Number of respondents: Fewer than 1,434 companies (1,141 rate-of-return carriers and 293 price cap carriers) will have to report local end user rates and state regulated fees.
- (2) Frequency of response: Annually. Each carrier must file the Rate Floor Data Collection Form with USAC. Among other information, the form contains all local end user rates that fall below a specified urban rate floor and the number of lines associated with each rate. Mid-year updates are permitted.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 4 hours.
- (5) Total annual hour burden: 5,736 hours.

4 hours per respondent for 1,434 respondents filing on an annual basis. Total annual hour burden is: 1,434 respondents x 1 report per respondent = 1,434 responses x 4 hours = **5,736 hours**.

(6) Total estimate of in-house cost to respondents: \$229,440. (5,736 hours x \$40/hour.).

(7) Explanation of calculation: We estimate that each carrier will spend at least 4 hours filtering and tabulating end user rates for each line that falls below a specified urban rate floor and indicating the specific line associated with each rate. 1,434 (responses) x 4 (hours to tabulate end user rates for each line and to prepare the relevant reporting documents) x \$40/hr. = \$229,440.

x. Recordkeeping Requirements (no revisions):

(1) Number of Respondents: Approximately 1,857 telephone companies.

(2) Frequency of Response: Annually.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 2 hours.

(5) Total annual hour burden: 3,714 hours.

2 hours per respondent for 1,857 respondents retaining documents on an annual basis. Total annual hour burden is: 1,857 respondents x 1 submission per respondent = 1,857 responses x 2 hours = **3,714 hours**.

(6) Total estimate of in-house cost to respondents: \$148,560. (3,714 hours x \$40/hour.).

(7) Explanation of calculation: We estimate that each carrier will spend at least 2 hours tracking document retention periods. 1,857 (responses) x 2 (hours to comply with document retention requirements) x \$40 per hour = \$148,560.

y. Annual Reporting Requirements for All Funding Recipients (no revision):

(1) Number of Respondents: Approximately 1,877 telephone companies.

(2) Frequency of Response: Annually.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 100 hours.

(5) Total annual hour burden: 187,700 hours.

100 hours per respondent for 1,877 respondents filing on an annual basis. Total annual hour burden is: 1,877 respondents x 1 submission per respondent = 1,877 responses x 100 hours = **187,700 hours**.

- (6) Total estimate of in-house cost to respondents: \$7,508,000. (187,700 hours x \$40/hour.).
- (7) Explanation of calculation: We estimate that each carrier will spend a total of at least 100 hours tracking, filtering, tabulating, assessing and preparing reporting requirements: 1,877 (responses) x 100 (hours tracking, filtering, tabulating, assessing and preparing reporting requirements) x \$40 per hour = \$7,508,000.

z. Tribal Engagement Reporting (no revisions):

- (1) Number of Respondents: Approximately 300 carriers that serve Tribal lands.
- (2) Frequency of Response: Annually.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 4 hours.
- (5) Total annual hour burden: 1,200 hours.

4 hours per respondent for 300 respondents filing on an annual basis. Total annual hour burden is: 300 respondents x 1 report per respondent = 300 responses x 4 hours = **1,200 hours**.

- (6) Total estimate of in-house cost to respondents: \$48,000. (1,200 hours x \$40/hour.).
- (7) Explanation of calculation: We estimate that each carrier serving Tribal lands will spend a total of at least 4 hours preparing, reviewing, and submitting its report on Tribal engagement: 300 (responses) x 4 (hours preparing, reviewing, and submitting report) x \$40 per hour = \$48,000.

aa. Connect America Fund Phase I Incremental Support Certification (no revisions):

- (1) Number of respondents: Approximately 8 holding companies of price cap carriers will have to report the incremental funding, if any, they accept. Those carriers accepting funding will also be required to certify that they are meeting certain broadband deployment milestones.
- (2) Frequency of response: Occasionally. Carriers accepting Phase I Incremental Support will be required to file this information in annual reports two and three years after acceptance. Eligible carriers must file with the Commission, USAC, as well as relevant state and Tribal authorities.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 15 hours.

(5) Total annual hour burden: 80 hours.

15 hours per respondent for 8 respondents filing 2 reports over a three year period. Total annual hour burden is: 8 respondents x 2 reports x 15 hours/3 years = **80 hours**.

(6) Total estimate of in-house cost to respondents: \$3,200. (80 hours x \$40/hour).

(7) Explanation of calculation: We estimate that each carrier accepting Phase I incremental support will spend at least 15 hours certifying that it is meeting the required broadband deployment milestones. 8 respondents x 2 reports x 15 hours/3 years = 80 hours x \$40/hour = \$3,200.

bb. Price Cap Carrier Frozen High Cost Support Certification (no revisions):

(1) Number of respondents: Approximately 293 price cap carriers receiving Connect America frozen support will have to certify that they are using incrementally increasing portions of their frozen support to deploy broadband-capable networks and to offer their own retail broadband service in areas substantially unserved by an unsubsidized competitor.

(2) Frequency of response: Annually.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 15 hours.

(5) Total annual hour burden: 4,395 hours.

15 hours per respondent for 293 respondents filing annually. Total annual hour burden is: 293 respondents x 1 certification per respondent = 293 responses x 15 hours = **4,395 hours**.

(6) Total estimate of in-house cost to respondents: \$175,800. (4,395 hours x \$40/hour.).

(7) Explanation of calculation: We estimate that each price cap carrier receiving frozen support will spend at least 15 hours certifying that it is using incrementally increasing portions of its frozen support to deploy broadband-capable networks and to offer its own retail broadband service in areas substantially unserved by an unsubsidized competitor. 293 (responses) x 15 (hours to confirm and certify compliance) x \$40/hr. = \$175,800.

cc. Price Cap Carrier High-Cost Support for Access Charges Certification (no revisions):

- (1) Number of respondents: Approximately 293 price cap carriers receiving high-cost support designed to offset access charges will have to certify that support received pursuant to 47 C.F.R. § 54.304 in the prior calendar year was used to build and operate broadband-capable networks used to offer provider's own retail service in areas substantially unserved by an unsubsidized competitor.
- (2) Frequency of response: Annually.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 15 hours.
- (5) Total annual hour burden: 4,395 hours.

15 hours per respondent for 293 respondents filing annually. Total annual hour burden is: 293 respondents x 1 certification per respondent = 293 responses x 15 hours = **4,395 hours**.

- (6) Total estimate of in-house cost to respondents: \$175,800. (4,395 hours x \$40/hour.).
- (7) Explanation of calculation: We estimate that each price cap carrier receiving support to offset reductions in access charges will spend at least 15 hours certifying that it is using high-cost support received pursuant to 47 C.F.R. § 54.304 to deploy broadband-capable networks and to offer its own retail broadband service in areas substantially unserved by an unsubsidized competitor. 293 (responses) x 15 (hours to confirm and certify compliance) x \$40/hr. = \$175,800.

dd. Connect America Fund Phase II Requirements (A modified version of the five-year plan and progress report portion of the reporting requirement has been approved under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing and will be eliminated from this collection):

- (1) Number of respondents: Approximately 9 carriers or holding companies receiving Connect America Phase II support will be required to report the number, names and, addresses of community anchor institutions to which they newly began providing access to broadband service.
- (2) Frequency of response: Annually.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 2 hours.

(5) Total annual hour burden: 18 hours.

2 hours per respondent for 9 respondents filing annually. Total annual hour burden is: 9 respondents x 2 hours per respondent = 18 hours.

(6) Total estimate of in-house cost to respondents: \$720. (18 hours x \$40/hour.).

(7) Explanation of calculation: The five-year plan and progress reports portion of this requirement will be eliminated, and the burden estimates have been adjusted accordingly. We estimate that each Phase II funding recipient will spend at least 2 hours collecting and reporting data on newly served community anchor institutions. 9 (responses) x 2 (hours to track, tabulate, and prepare reporting requirements) x \$40/hr. = \$720.

ee. Rate-of-Return Carrier Requirements (A modified version of the five-year plan and progress report portion of the reporting requirement has been approved under OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing and will be eliminated):

(1) Number of respondents: Approximately 1,141 rate-of-return carriers will be required to certify that they are offering broadband upon reasonable request meeting the Commission's requirements and report the number, names, and addresses of community anchor institutions to which they newly began providing access to broadband service.

(2) Frequency of response: Annually.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 3 hours.

(5) Total annual hour burden: 3,423 hours.

1 hour per respondent for 1,141 respondents filing annually. Total annual hour burden is: 1,141 respondents x 3 hours per respondent = 3,423 hours.

(6) Total estimate of in-house cost to respondents: \$136,920. (3,423 hours x \$40/hour.).

(7) Explanation of calculation: We estimate that each rate-of-return carrier will spend approximately 3 hours certifying they are offering the required broadband service and reporting data on newly served community anchor institutions. 1,141 (responses) x 3 (hours to track, tabulate, and prepare reporting requirements and confirm and certify compliance with broadband obligations) x \$40/hr. = \$136,920.

ff. Privately Held Rate-of-Return Carrier Financial Information (no revisions):

(1) Number of respondents: Approximately 625 privately held rate-of-return carriers will be required to submit financial statements.

- (2) Frequency of response: Annually.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 15 hours.
- (5) Total annual hour burden: 9,375 hours.

15 hours per respondent for 625 respondents filing annually. Total annual hour burden is: 625 respondents x 1 financial statement per respondent = 625 responses x 15 hours = **9,375 hours**.

- (6) Total estimate of in-house cost to respondents: \$375,000. (9,375 hours x \$40/hour.).
- (7) Explanation of calculation: We estimate that each privately held rate-of-return carrier will spend at least 15 hours filing its RUS Operating Report for Telecommunications Borrowers, audited financial statements, or financial statements reviewed by a certified public accountant. 625 (responses) x 15 (hours to prepare and submit financial statements) x \$40/hr. = \$375,000.

gg. Carriers Lacking Terrestrial Backhaul Certification (no revisions):

- (1) Number of respondents: Fewer than 20 carriers that receive funding but rely exclusively on satellite for backhaul must certify as to the performance of their broadband service.
- (2) Frequency of response: Annually.
- (3) Total number of responses per respondent: Approximately 1.
- (4) Estimated time per response: 15 hours.
- (5) Total annual hour burden: 300 hours.

15 hours per respondent for 20 respondents filing annually. Total annual hour burden is: 20 respondents x 1 certification per respondent = 20 responses x 15 hours = **300 hours**.

- (6) Total estimate of in-house cost to respondents: \$12,000. (300 hours x \$40/hour.).
- (7) Explanation of calculation: We estimate that each carrier receiving funding but relying exclusively on satellite for backhaul will spend at least 15 hours certifying as to the performance of its broadband service. 20 (responses) x 15 (hours to confirm and certify compliance) x \$40/hr. = \$12,000.

hh. Residential Rate Updates (no revisions):

(1) Number of respondents: Fewer than 20 carriers that have rates falling below the rate floor and make adjustments to their rates in the course of the year will file an update.

(2) Frequency of response: On occasion.

(3) Total number of responses per respondent: Approximately 1.

(4) Estimated time per response: 4 hours.

(5) Total annual hour burden: 80 hours.

4 hours per respondent for 20 respondents filing occasionally. Total annual hour burden is: 20 respondents x 1 report per respondent = 20 responses x 4 hours = **80 hours**.

(6) Total estimate of in-house cost to respondents: \$3,200. (80 hours x \$40/hour.).

(7) Explanation of calculation: We estimate that each carrier that files a residential rate update will spend at least 4 hours reporting its rates. 20 (responses) x 4 (hours to gather and report rates) x \$40/hr. = \$3,200.

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 Cost to Respondents
<u>a. Geocoded Information and Capital Operating Expense Data for Phase II Model-Based Support Recipients</u>	9	9	1	9	\$360.00
<u>b. Build-Out Certification for Phase II Model-Based Support Recipients</u>	0	0	0	0	\$0

<u>c. E-rate Certification for Phase II Model- Based Support Recipients and Rate-of-Return Carrier High-Cost Recipients</u>	1,150	1,150	2	2,300	\$92,000
<u>d. Reasonably Comparable Rates Certification for Broadband</u>	1,174	1,174	4	4,696	\$187,840
<u>e. Phase II Non- Compliance Reports</u>	0	0	0	0	\$0
<u>f. Additional Annual Reporting for Rural Broadband Experiments</u>	20	20	30	600	\$24,000
<u>g. Geocoded Information for Phase I Two- and Three-Year Milestone Reports</u>	8	8	6	48	\$1,920.00
<u>h. Broadband Initiatives Program/ Broadband Technology Opportunities Program Annual Milestone Reports</u>	8	8	3	24	\$960.00
<u>i. Phase I Investment Annual Milestone Reports</u>	8	8	20	160	\$6,400.00
<u>j. Changes in Phase I Deployments</u>	8	8	6	48	\$1,920.00

<u>k. Connect America Phase I Certifications</u>	8	8	20	160	\$6,400.00
<u>l. Connect America Phase II Challenges and Responses</u>	100	100	10	1,000	\$40,000
<u>m. Projected CAF-BLS Cost and Revenue Data (Rate-of-Return) (FCC Form 508)</u>	766	766	2	1,532	\$61,280.00
<u>n. Projected CAF-BLS Cost and Revenue Data (Average Schedule Carriers) (FCC Form 508)</u>	366	366	1	366	\$14,640.00
<u>o. CAF-BLS Actual Cost and Revenue Data (Annually) (FCC Form 509)</u>	766	766	4	3,064	\$122,560.00
<u>p. CAF-BLS True Ups (Average Schedule Carriers) (FCC Form 509)</u>	366	366	1	366	\$14,640.00
<u>q. Validation of CAF-BLS Cost and Revenue, filed in response to the Administrator's request for further validation</u>	100	100	4	400	\$16,000.00

<u>r. CAF-BLS Line Counts (FCC Form 507)</u>	1,132	1,132	6	6,792	\$271,680.00
<u>s. State Certification Letter Under 254(e)</u>	61	61	3	183	\$7,320.00
<u>t. Support in Competitive Study Areas: (FCC Form 525)</u>	15	60	6	360	\$14,400.00
<u>u. Safety Valve</u>	25	25	0.5	13	\$520.00
<u>v. Connect America Fund Phase I Incremental Support Acceptance</u>	8	8	6	48	\$1,920.00
<u>w. Local End User Rates and State Regulated Fees</u>	1,434	1,434	4	5,736	\$229,440.00
<u>x. Recordkeeping Requirements</u>	1,857	1,857	2	3,714	\$148,560.00
<u>y. Annual Reporting Requirements for All Funding Recipients</u>	1,877	1,877	100	187,700	\$7,508,000.00
<u>z. Tribal Engagement Report</u>	300	300	4	1,200	\$48,000.00

<u>aa. Connect America Fund Phase I Incremental Support Certification</u>	8	8	15	80	\$3,200.00
<u>bb. Price Cap Carrier Frozen High Cost Support Certification</u>	293	293	15	4,395	\$175,800.00
<u>cc. Price Cap Carrier High-Cost Support for Access Charges Certification</u>	293	293	15	4,395	\$175,800.00
<u>dd. Connect America Fund Phase II Requirements</u>	9	9	2	18	\$720.00
<u>ee. Rate-of-Return Carrier Requirement</u>	1,141	1,141	3	3,423	\$136,920.00
<u>ff. Privately Held Rate-of-Return Carrier Financial Information</u>	625	625	15	9,375	\$375,000.00
<u>gg. Carriers Lacking Terrestrial Backhaul Certification</u>	20	20	15	300	\$12,000.00

<u>hh. Residential</u>					
<u>Rate Updates</u>	20	20	4	80	\$3,200.00

TOTALS:

Total Number of Respondents: 1,948 unique respondents filing multiple times.

Total Number of Responses Annually: 14,020

Total Annual Hourly Burden for requirements (a) – (kk): 242,585

Total Annual In-house Costs to respondents: \$9,703,400.00

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 to respondents.
14. *Estimates of the cost burden to the Commission.* There will be few, if any, costs to the Commission because notice and enforcement requirements are already part of Commission duties. Moreover, there will be minimal cost to the federal government since an outside party will administer this program.
15. *Program changes or adjustments.* The Commission is reporting program changes/decreases to this collection as a result of moving certain requirements from this information collection into OMB control number 3060-1228, Connect America Fund – High Cost Portal Filing. The estimated total number of respondents, total annual responses and annual burden hours have therefore been reduced under this OMB control number.

The total number of respondents decreased from 1,977 to 1,948 (-29); the total annual responses decreased from 14,109 to 14,020 (-89); and the total annual burden hours decreased from 274,455 to 242,585 (-31,870). As a result of moving certain requirements into OMB control number 3060-1228, these decreases resulted in a program change since our last submission to OMB. There are no adjustments.
16. *Collections of information whose results will be published.* Non-proprietary information will likely be made publicly available. The Commission plans to make some of this information available publicly. Information related to Phase I, Phase II, and rural broadband experiment deployments will be 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 and II certifications will be made public, either through the Commission’s Electronic Comment Filing System (ECFS) or through release by the Commission. 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 to not display the OMB expiration date on FCC Form 481, FCC Form 505, FCC Form 507, FCC Form 508, FCC Form 509 and FCC Form 525. The Commission will use an edition date in lieu of an OMB expiration date. This is necessary so that when the OMB expiration date changes, the Commission does not have to update electronic versions or destroy paper stocks. Finally, the Commission publishes a list of all OMB-approved information collections, including this one, in 47 C.F.R. § 0.408.
18. *Exceptions to certification statement for Paperwork Reduction Act submissions.* When the 60-day notice was published in the Federal Register on December 27, 2016 (81 FR 95138), the Commission reported the total number of respondents of 1,977, total annual responses of 14,109 and total annual burden hours of 274,455. Since the Commission received OMB approval for OMB Control No. 3060-1228, these burdens have been updated (decreased) in the 30-day notice and are reflected in the supporting statement. 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.