

**SUPPORTING STATEMENT****A. Justification:**

1. The Improving Rural Call Quality and Reliability Act of 2017, Pub. L. 115-129 (RCC Act), requires the Commission establish a registry for intermediate providers and requires intermediate providers to register with the Commission before offering to transmit covered voice communications. Specifically, the RCC Act requires that “An intermediate providers that offers or holds itself out as offering the capability to transmit covered voice communications from one destination to another and that charges any rate to any other entity (including an affiliated entity) for the transmission shall . . . register with the Commission.” 47 U.S.C. § 262(a). The RCC Act required the Commission to “promulgate rules to establish a registry to record registrations” no later than 180 days after the date of enactment, or by Aug. 25, 2018 (47 U.S.C. § 262(c)(1)(A) and also prohibits covered providers from using an intermediate provider to transmit covered voice communications unless such intermediate provider is registered (47 U.S.C. § 262(b)).

On August 15, 2018, the Commission released a *Third Report and Order* in WC Docket No. 13-39, FCC 18-120 (*Third RCC Order*). The *Third RCC Order* begins the Commission’s implementation of the RCC Act. The *Third RCC Order* adopts rules to establish a registry for intermediate providers and requires intermediate providers to register with the Commission before offering to transmit covered voice communications. The information collected through these data collections implements Congress’s direction to establish an intermediate provider registry.

Statutory authority for this collection is contain in sections 1, 4(i), 201(b), 202(a), 217, and 262 of Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i), 201(b), 202(a), 217, and 262.

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

2. In accordance with the RCC Act, the information will be used by the Commission to implement the RCC Act’s mandate, codified by 47 CFR § 64.2115, that the Commission establish a registry for intermediate providers.

The term “intermediate provider” means any entity that enters into a business arrangement with a covered provider or other intermediate provider for the specific purpose of carrying, routing, or transmitting voice traffic that is generated from the placement of a call placed— (1) from an end user connection using a North American Numbering Plan resource; or (2) to an end user connection using such a numbering resource; and does not itself, either directly or in conjunction with an affiliate, serve as a covered provider in the context of originating or terminating a given call. 47 U.S.C. § 262(i)(3); 47 CFR §64.2101.

The term “covered provider” means a provider of long-distance voice service that makes the initial long-distance call path choice for more than 100,000 domestic retail subscriber lines, counting the total of all business and residential fixed subscriber lines and mobile phones and aggregated over all of the providers’ affiliates. A covered provider may be a local exchange carrier as defined in § 64.4001(e), an interexchange carrier as defined in § 64.4001(d), a provider of commercial mobile radio service as defined in § 20.3 of this chapter, a provider of

interconnected voice over Internet Protocol (VoIP) service as defined in 47 U.S.C. 153(25), or a provider of non-interconnected VoIP service as defined in 47 U.S.C. 153(36) to the extent such a provider offers the capability to place calls to the public switched telephone network. 47 U.S.C. § 262(i)(1) (“The term ‘covered provider’ has the meaning given the term in section 64.2101 of title 47, Code of Federal Regulations, or any successor thereto.”); 47 CFR §64.2101

In this information collection, codified by 47 CFR § 64.2115, the Commission solicits the following information from intermediate providers:

- (1) The intermediate provider’s business name(s) and primary address;
- (2) The name(s), telephone number(s), email address(es), and business address(es) of the intermediate provider’s regulatory contact and/or designated agent for service of process;
- (3) All business names that the intermediate provider has used in the past;
- (4) The state(s) in which the intermediate provider provides service;
- (5) The name, title, business address, telephone number, and email address of at least one person as well as the department within the company responsible for addressing rural call completion issues, and;
- (6) the name(s), business address, and business telephone number(s) for an executive leadership contact, such as the chief executive officer, chief operating officer, or owner(s) of the intermediate provider, or persons performing an equivalent function, who directs or manages the entity.

47 CFR § 64.2115(a). An intermediate provider subject to this registration requirement must provide the information described above to the intermediate provider registry on the Commission’s website, under penalty of perjury. Changes in such information must be submitted to the Commission within 10 business days. 47 CFR § 64.2115(c).

3. The information collection involves the use of electronic means of collection, via a website portal maintained by the Commission. The resulting information registry will be published for public reference, with the exception of the name(s), business address, and business telephone number(s) for an executive leadership contact, such as the chief executive officer, chief operating officer, or owner(s) of the intermediate provider, or persons performing an equivalent function, who directs or manages the entity, which shall not be published.
4. The requested data is not intended to duplicate data in other reports, and this data is not currently available in any other reports submitted to the Commission.
5. This collection of information may impact small businesses or other small entities. Based upon an Initial Regulatory Flexibility Analysis (*see* 5 USC § 604), we have assessed the effects of this rule, and find that any burden on small businesses will be minimal because this is a low-cost measure to facilitate industry collaboration to address call completion issues. The Commission seeks to minimize the burden on all size businesses by requiring only that information be updated on an as needed basis, for information changes, within 10 business days.
6. This information collection is necessary to implement Congress’s direction in the RCC Act to the Commission to establish a registry for intermediate providers within 180 days of

enactment. The collection cannot be conducted less frequently, as it is already limited to an initial information collection and updates as needed.

7. There are no special circumstances associated with this information collection.
8. The Commission published a 60 Day Notice in the Federal Register on September 18, 2018 (83 FR 47153) as required by 5 CFR 1320.8(d).
9. The Commission does not anticipate providing any payment or gift to respondents with this collection of information.
10. The Commission is not requesting confidential information with this information collection.
11. This collection of information does not address any matters of a sensitive nature.
12. The following represents the estimated number of burden hours:

Number of respondents: **168**

The registration requirements apply only to intermediate providers, entities entering into a business arrangement with a covered provider or other intermediate provider for the specific purpose of carrying, routing, or transmitting voice traffic that is generated from the placement of a call placed—from an end user connection using a North American Numbering Plan resource; or to an end user connection using such a numbering resource; and does not itself, either directly or in conjunction with an affiliate, serve as a covered provider in the context of originating or terminating a given call. 47 CFR §64.2101

Based on previous filings, the Commission is aware of approximately 56 covered providers (wireline, wireless and wholesale providers) as defined under the RCC Act. The initial number of respondents is an estimate, based on the total number of covered providers, 56. The Commission estimates that each covered provider uses an average of three (3) intermediate providers, i.e. respondents, in completing a voice call, for a total estimated 168 respondents. The Commission bases this estimate on Verizon's public report investigating rural call completion issues pursuant to a consent decree, which it filed in WC Docket No. 13-39 on June 4, 2018. In that report, Verizon notes that before its consent decree, the company used four intermediate providers for both rural and non-rural traffic and that after implementation of the consent decree, Verizon used just two intermediate providers. (See Verizon Report at 15). Since the report does not distinguish between rural and non-rural traffic, we took at average number of three intermediate providers.

Frequency of response: **One-time reporting requirement; On occasion reporting requirement.** Intermediate providers must complete an initial registration and must make any updates to the registered information within 10 business days of the change.

Total number of responses annually: **168.**

The number of responses equals the number of respondents.

Estimated time per response: **1 hour per year.**

We note that the hourly burden on respondents may vary widely, due to differences in size and organizational complexity of operating subsidiaries, as well as the amount of information that must be updated and how frequently (as explained above, additional information must be provided after the initial filing only if it changes). Therefore, we estimate approximately 1 hour per year per intermediate provider, on average, to comply with the recordkeeping requirements.

Total Annual Hourly Burden: (1 response/year x 168 respondents x 1 hour) = **168 hours**

Total estimate of “in-house” cost to respondents: **\$8,904.**

It is difficult to provide a sound estimate of respondents’ costs without conducting a survey. However, assuming that respondents use mid-level personnel comparable in pay to the Federal government, we estimate respondent’s cost to be \$53 per hour:<sup>1</sup> (168 hours x \$53/hour = \$8,904).

13. The following represents the estimated number of annual cost burden to respondents resulting from the proposed collection of information.

Total capital and start-up cost component (annualized): **None.**

The Commission is soliciting readily available information from intermediate providers. It is also a customary practice to archive this information in a readily retrievable electronic form. As such, the Commission estimates there to be no capital and start-up cost component to furnish the solicited information.

Total operations and maintenance and purchase of services component: **None.**

The Commission is soliciting readily available information from intermediate providers. It is also a customary practice to archive this information in a readily retrievable electronic form. Therefore, the Commission does not anticipate that respondent companies will need to hire contracting personnel to fulfill the requirements on behalf of respondents.

Total annualized cost requested: **None.**

14. The following represents the Commission’s estimate of the annual cost burden for the Federal Government under the proposed collection.

Estimated time per response: **1 minute.**

Due to the nature of the information collection as electronic, we provide a 1 minute estimated time for response.

Total number of responses annually: **168**

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<sup>1</sup> Assuming the respondents use personnel comparable in pay to mid-level Federal Government employees, GS-13/5, \$52.66/hr., we rounded the hourly salary rate up to a whole number, which is \$53/hr.

The Commission notes that it will receive an estimated 168 initial responses to the information collection. However, because responses will only be collected on an as-needed basis beyond this initial information collection, we estimate the total number of annual responses beyond the initial collection as *de minimis*.

Total estimate of cost to Federal Government: \$28,000.

We anticipate the Commission will incur one-time costs to create and establish the intermediate provider registry (information collection), in the amount of \$28,000. This figure represents an estimated 1,600 hours of information technology contractor labor to develop the intermediate provider registry, at an average of \$17.50 per hour. (1,600 hrs X \$17.50/hr = \$28,000)

Other than these initial costs, the Commission estimates no additional annual cost burden beyond the normal labor costs for staff incurred as a result of this information collection.

15. This is a new information collection. The Commission is reporting a program change to the total number of respondents, total annual responses and total annual burden hours of 168, as result of FCC 18-120.
16. The Commission will publish some of the collected information on its website (*see* number 1 above for specific items to be published) after OMB approval of the collection.
17. The Commission is not seeking approval to not display the expiration date for OMB approval of this information collection.
18. There are no exceptions to the Certification Statement.

**B. Collections of Information Employing Statistical Methods:**

This information collection does not employ any statistical methods.