

SUPPORTING STATEMENT

A. Justification

1. The Federal Communications Commission (Commission) is requesting that the Office of Management and Budget (OMB) approve a three-year extension of the information collection, “Data Network Identification Code (DNIC)” under OMB Control No. 3060-1029 (Delegated Authority Information Collection). This collection seeks continued approval for the current forms, and reflects changes in the costs that are associated with new application fees and updated burden hour estimates. The application and actual collection has not changed.

Background:

A Data Network Identification Code (DNIC) is a unique, four-digit number designed to provide discrete identification of individual public data networks. The DNIC is intended to identify and permit automated switching of data traffic to particular networks. The DNIC is the central device of the international data numbering plan developed by the International Telecommunication Union (ITU) as set forth in ITU-T Recommendation X.121.¹

Prior to the availability of electronic application forms in 1999, the Commission used an informal process for assigning DNICs. Under the informal system, a company desiring a code would notify the Commission that it wanted a DNIC and demonstrate that it has the ability to originate and terminate international traffic (e.g., by showing an interconnection arrangement with a U.S. international carrier), and the Commission would assign the company a DNIC.² In 1986, the Commission established procedures for the assignment of DNICs to interested data network operators.³ Today, the operators of public data networks file an application for a DNIC in the International Bureau Filing System (IBFS). The DNIC is obtained on a one-time only basis unless there is a change in ownership or the owner chooses to relinquish the code to the Commission.

In 2005, the Commission received approval from the OMB for mandatory electronic filing and other information collection requirements based on the Commission’s *2005 International Electronic Filing Order*.⁴ The *2005 International Electronic Filing Order* eliminated paper

¹ ITU-T Recommendation X.121, TELECOMMUNICATION STANDARDIZATION SECTOR OF ITU (10/2000) SERIES X: DATA NETWORKS AND OPEN SYSTEM COMMUNICATIONS, Public Data Networks - Network Aspects, International Numbering Plan for Public Data Networks, <https://www.itu.int/rec/T-REC-X.121-200010-I/en> (ITU-T Recommendation X.121).

² *International Communications Policies Governing Designation of Recognized Private Operating Agencies, Grants of IRUs in International Facilities and Assignment of Data Network Identification Codes*, CC Docket No. 83–1230, Notice of Inquiry, 95 F.C.C.2d 627, 651-52, para. 64 (1983).

³ *International Communications Policies Governing Designation of Recognized Private Operating Agencies, Grants of IRUs in International Facilities and Assignment of Data Network Identification Codes*, CC Docket No. 83-1230, 104 FCC 2d 208, 262-7, paras. 70-77 (1986), reconsideration granted in part, 2 FCC Rcd 7375, 7378-80 paras. 26-34 (1987) (DNIC Report and Order).

⁴ *Mandatory Electronic Filing For International Telecommunications Services and Other International Filings*, IB Docket No. 04-226, Report and Order, 20 FCC Rcd 9292 (2005).

OMB Control No. 3060-1029
Data Network Identification Code (DNIC)
November 2022

filings and required applicants to file all applications and other filings related to international telecommunications services electronically via IBFS. At that time, the only DNIC application available on IBFS was DNC-NEW, which was used for applications for new DNIC assignments as a well as DNIC assignments and transfers of control to other operators. OMB approved the DNC-NEW form as well as three then-undeveloped forms⁵ in authorizing OMB Control No. 3060-1029.

The Commission stated in its October 2019 supporting statement for renewal of OMB Control No. 3060-1029 that it had plans to replace the IBFS with a new electronic filing system.⁶ OMB approved the extension of this collection, without change, in 2020.⁷ We also note that in our October 2019 supporting statement, we inadvertently omitted our request to retain continued approval for the DNC-NEW form and we correct that error here.

We seek to retain blanket OMB approval of all the applications listed below.

| Name of Form | Brief Description | Rule Section |
|---|--|---|
| 1. Request for Assignment of Data Network Identification Code (DNC-NEW) | Request for a new DNIC or a reassignment of a DNIC when one company acquires the packet-switched operations of another company, or when a company reorganizes. | R&O in Docket 83-1230, 104 FCC 2d 208, 262-7, paras. 70-77 (1986), <i>reconsideration granted in part</i> , 2 FCC Rcd 7375, 7378-80 paras. 26-34 (1987) |
| 2. Data Network Identification Codes – Other Filings | Notification of miscellaneous items. | R&O in Docket 83-1230 104 FCC 2d 208 (1986), <i>reconsideration granted in part</i> , 2 FCC Rcd 7375 (1987) |
| 3. Data Network | Request for reassignment of | R&O in Docket 83-1230 |

⁵ These forms are described in more detail in the table below. The three undeveloped forms in 2005 remain undeveloped today.

⁶ See Supporting Statement OMB 3060-1029 October 2019, Supporting Statement OMB 3060-1029 October 2019.doc: Data Network Identification Code (DNIC); OMB: 3060-1029 (<https://omb.report/icr/202001-3060-002/doc/97644101>). A modernized IBFS is still in development. The Commission will submit a revision for this OMB control number when the new IBFS is closer to launch.

⁷ See Data Network Identification Code (DNIC), ICR 202001-3060-002, OMB: 3060-1029 (<https://omb.report/icr/202001-3060-002>).

| | | |
|---|--|--|
| Identification Codes – Code Reassignment | the DNC when one company acquires the packet-switched operations of another company, or when a company reorganizes. | 104 FCC 2d 208, 7378-80 paragraphs; 70-77 (1986), <i>reconsideration granted in part</i> , 2 FCC Rcd 7375 (1987) |
| 4. Data Network Identification Codes – Code Surrender | Request to surrender its DNC code for reassignment when a company operating a packet-switched network ceases operations. | R&O in Docket 83-1230 104 FCC 2d 208 (1986), <i>reconsideration granted in part</i> , 2 FCC Rcd 7375 (1987) |

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

The statutory authority for this collection is contained in Sections 1, 4(i)-(j), 201-205, 211, 214, 219-220, 303(r), 309, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i)-(j), 201-205, 211, 214, 219-220, 303(r), 309 and 403.

2. Use of the Information

The Commission obtains relevant information from operators of public data networks through the filing of applications for DNICs on IBFS. This information is collected by the Commission to assign DNICs to operators of public data networks to identify and permit automated switching of data traffic to particular networks.

3. Use of Information Technology

All applicants must file the DNIC application in IBFS. The electronic collection of information expedites the Commission's review and approval of DNIC applications for operators of public data networks. A total of 100 percent of applications are filed with the Commission electronically in the IBFS.

4. Non-Duplication

The Commission does not impose similar information collections on the respondents. There are no similar data available.

5. Burden on Small Business

This collection of information does not significantly impact small businesses or other small entities.

6. **Less Frequent Collection**

The Commission's assignment of DNICs to operators of public data networks ensures the identification and automated switching of data traffic to particular networks.

7. **Special Circumstances**

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

8. **Federal Register of the Agency's Notice**

On August 30, 2022, a 60-day notice was published in the Federal Register (87 FR 52969) to request comments from the public. No comments were received from the public.

9. **Gifts or Payment**

The Commission will not provide any payment or gift to respondents.

10. **Confidentiality**

There is no need for confidentiality of information contained in the applications filed with the Commission.

11. **Sensitive Questions**

This collection of information does not contain questions of a sensitive nature.

12. **Respondent Burden, and its Labor Costs**

The Commission receives on average no more than **2 responses** (DNC-NEW applications) from respondents annually.⁸ We estimate that three of the respondents filed these with the use of their in-house staff and undergo an average paperwork burden of three hours to prepare and file each application. We estimate that two respondents still rely on outside legal assistance to file their applications. These respondents undergo a paperwork burden of two hours to coordinate with outside legal assistance who then prepare and file the application. The maximum predicted annual paperwork burden for this collection is therefore:

DNC-NEW

| | | |
|--|----------------------------------|-----------------|
| 1 respondents using in-house staff | x 3 hrs.(preparing applications) | = 3hrs. |
| 1 respondents using outside legal assistance | x 2 hrs. (consulting) | = <u>2 hrs.</u> |
| Total annual paperwork burden | | = 5 hrs. |

⁸ Between the years 2019-2021, the Commission received only one DNC-NEW application.

Respondents' In-House Costs: We estimate that the loaded hourly rate for in-house staff at respondents' companies to prepare and file the applications and to consult with outside consultants will be \$40.

$$5 \text{ hrs.} \times \$40 \text{ per hr.} = \$200 \text{ (In House Costs)}$$

13. Estimate of the Total Annual Cost Burden to Respondents or Recordkeepers

(a). Total Capital and Start-up Cost. None.

(b). Total operation and maintenance costs:

For this collection, we estimate that roughly half of the respondents will use outside legal assistance to prepare and file their applications. We estimate that respondents pay outside legal assistance approximately \$300 per hour for their assistance. The paperwork burden for each DNC-NEW application is 3 hours. Therefore, 1 applications x 3 hrs. each x \$300 per hr. = **\$900**.

The Commission adopted a new schedule of application fees in 2020.⁹ The new fees for DNC applications are as follows:

DNC-NEW: \$785 (a new fee)

Accordingly, the annual costs associated with these applications are as follows:

$$\text{DNC-NEW: } 2 \text{ applications} \times \$785 \text{ per application} = \$1,570$$

(c). Total annual costs.

$$\$900 \text{ (outside counsel costs)} + \$1,570 \text{ (application fees)} = \mathbf{\$2,470 \text{ (for DNC -NEW)}}$$

14. Estimates of Annualized Cost to the Federal Government

The cost-based application fees that the Commission adopted for DNIC applications are provided in item 13 above. The fee indicated is a reflection of the cost incurred by the Commission for review of that application. As the Commission stated in the *2020 Application Fees Notice* (and adopted in the *2020 Application Fees Report and Order*), review of all DNIC applications includes industry analyst processing and review, staff attorney review, and supervisory review.¹⁰ The Commission's resources to process a typical new DNIC application consist of the following (generally): industry analyst processing and review (GS-11/Step 5

⁹ See *Amendment of the Schedule of Application Fees Set Forth in Sections 1.1102 through 1.1109 of the Commission's Rules*, MD Docket No. 20-270, Report and Order, 35 FCC Rcd 15089 (2020); Erratum, October 25, 2021, FCC 21-110 (*2020 Application Fees Report and Order*). The new and revised application fees apply to a broad spectrum of filings processed by the Commission, including applications for DNICs. The application fees are based on the Commission's costs associated with processing those applications.

employee), staff attorney review (GS-14/Step 5 employee), and supervisory review (GS-15/Step 5 employee).

| Federal Government Staff | No. of Responses | Burden Hours | Total Hours | Salary per/hour | Total costs |
|---|------------------|--------------|-------------|-----------------|-----------------|
| GS-15/Step 5 Attorney (1) | 2 | 2 | 4 | \$80.63 | \$322.52 |
| GS-14/Step 5 Attorney (1) | 2 | 4 | 8 | \$68.55 | \$548.40 |
| GS-11/Step 5 Administrative Assistant (1) | 2 | 2 | 4 | \$40.70 | \$162.80 |

The combined cost to the Government is $\$322.52 + \$548.40 + \$162.80 = \mathbf{\$1,033.72}$.

This figure is offset by the application fees that Commission collects with the filing of DNC-NEW applications, as discussed above.

15. **Reasons for Change in Burden**

There are no program changes for this collection. There are adjustments to this collection as follows: -3 to the number of respondents, -3 to the annual responses, +4 to the annual burden hours and +\$2,470 which are due to the introduction of updated application fees and an updated estimate of the burden hours and associated costs for preparing and filing DNC-NEW applications.

16. **Publication of Results**

The results of this collection of information are not going to be published for statistical use.

17. **Non-Display of OMB Expiration Date**

We do not seek approval to not display the expiration date for OMB approval of the information collection.

18. **Exceptions to "Certification for Paperwork Reduction Submissions"**

¹⁰ *Amendment of the Schedule of Application Fees Set Forth in Sections 1.1102 through 1.1109 of the Commission's Rules*, MD Docket No. 20-270, Notice of Proposed Rulemaking, 36 FCC Rcd 1618, para. 164 (2020) (2020 Application Fees Notice); *2020 Application Fees Report and Order*, 35 FCC Rcd 15089, paras. 150-151.

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

This information collection does not employ statistical methods.