

SUPPORTING STATEMENT

A. Justification:

1. In the Communications Act of 1934, as amended by the Telecommunications Act of 1996, the Federal Communications Commission (Commission) was given “exclusive jurisdiction over those portions of the North American Numbering Plan that pertain to the United States.”

Pursuant to that authority, the Commission conducted a notice of proposed rulemaking that, among other things, addressed regular reporting on numbering use by United States carriers,¹ following the Commission’s concerns that the management of numbering resources had become impaired by a lack of uniform data on where or how numbers were being used. In the *First Report and Order*,² the Commission established a mandatory utilization and forecast data reporting requirement for all carriers that use numbering resources. In the *Second Report and Order*,³ the Commission concluded that further information collections are necessary to efficiently and effectively monitor and manage numbering use. In its 2015 *Report and Order*, the Commission applied these obligations on interconnected VoIP providers that obtain numbering resources directly from the North American Numbering Plan Administrator (NANPA) as well as carriers (collectively, “providers”).⁴

The collection requirements adopted in the attached *Second Report and Order* are summarized below:

- a. *Auditing Requests.* The *Second Report and Order* approved the Commission’s proposal to supplement the needs verification measures and data collection requirements adopted in the *First Report and Order* with a comprehensive audit program. The audit program includes “for cause” and random audits and is used to verify provider compliance with federal rules and orders and with industry guidelines.

To request a “for cause” audit, the North American Numbering Plan Administrator (NANPA), the Pooling Administrator, or a state commission must state, in writing, the reason for the request (such as the provider submitting misleading or inaccurate data) and provide supporting documentation.

Audits are performed by the Commission’s auditors in the Enforcement Bureau, or by other designated agents. State commissions may participate in these audits along with the Commission’s auditors or its designated agents.

- b. *State Commission Requests for Providers’ Initial Growth Numbering Resource Application Materials.* State commissions requesting copies of providers’ applications for initial and growth numbering resources should obtain such copies directly from the providers, rather than from the NANPA or the

¹ *Numbering Resource Optimization et al.*, CC Docket No. 99-200 *et al.*, Notice of Proposed Rulemaking, 14 FCC Rcd 10322 (1999).

² *Numbering Resource Optimization et al.*, CC Docket No. 99-200 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 15 FCC Rcd 7574 (2000) (*First Report and Order*).

³ *Numbering Resource Optimization et al.*, CC Docket No. 99-200 *et al.*, Second Report and Order, Order on Reconsideration, and Second Further Notice of Proposed Rulemaking, 16 FCC Rcd 306 (2000) (*Second Report and Order*).

⁴ *Numbering Resource Optimization et al.*, CC Docket No. 99-200 *et al.*, Report and Order, 30 FCC Rcd 6839 (2015).

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Pooling Administrator. This approach avoids a costly burden on national numbering administration while placing only a minimal burden on providers. Providers may be denied numbering resources if they fail to comply with state commissions' requests.

The Commission is changing the title of this collection from "Section 52.15, Request 'For Cause' Audits and State Commission's Access to Numbering Resource" to "Request for Audits and State Commissions' Access to Numbering Resource Application Information (47 C.F.R. Section 52.15)."

The Commission is seeking to extend this information collection from OMB in order to obtain the three-year approval.

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

Statutory authority for this collection of information is authorized under Sections 1, 3, 4, 201-205, 251 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 153, 154, 201-205, and 251.

2. The Commission uses the information it collects:
 - (a) to conduct audits,
 - (b) to assist state commissions in carrying out their delegated authority over numbering issues, and
 - (c) to assist the NANPA and the Pooling Administrator in determining when and where additional numbering resources are needed.
3. When state commissions request numbering resource applications from providers, providers need only furnish copies of the applications previously submitted to the NANPA. Thus, providers do not need to produce new or different data for state commissions.
4. The collection of this information will not duplicate any other Commission effort.
5. The burden of drafting a "for cause" audit request does not apply to small or large providers, but falls only on state commissions, the NANPA, and the Pooling Administrator.

For numbering resource applications requested by state commission, the Commission has minimized provider burden by allowing both large and small providers to supply copies of the original applications previously submitted to the NANPA or the Pooling Administrator.

6. As previously mentioned, "for cause" audit requests must state, in writing, the grounds for auditing a service provider, such as violation of the Commission's rules or orders, or industry guidelines. If audit justification information is not collected or is collected infrequently, then the Commission's ability to rely on provider data to monitor numbering resource use and to predict accurately exhaustion of numbering resources would be seriously undermined.

For numbering resource applications, state commissions unable to collect copies of those applications directly from providers would need to obtain provider applications from either the NANPA or the Pooling Administrator, resulting in an additional and costly burden on national numbering administration.

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7. The special circumstances to this collection in Section 52.15(g)(5) require that the NANPA must notify the provider in writing of its decision to withhold numbering resources within ten (10) days of receiving a request for numbering resources.

This information collection has two requirements—the “for cause” and/or random audit requirement and the submission of initial and growth numbering resources, neither of which impose any of the exceptional burdens on the respondents.

8. The Commission published a 60-day notice in the *Federal Register* on December 16, 2022 (87 FR 77108). No comments were received as a result of this notice.
9. No payments or gifts are being provided to the respondents.
10. Provider numbering resource applications and audits of provider compliance will be treated as confidential and will be exempt from public disclosure under 5 U.S.C. § 552(b)(4).
11. This information collection does not address any matters of a sensitive nature.
12. The Commission makes the following burden estimates:

- a. Audit Requests by the NANPA, the Pooling Administrator or the State Commissions:

(1) Number or respondents: 5.

(2) Frequency of audit request: On occasion reporting requirements.

(3) Total Number of Responses Annually: 5.

5 respondents x 1 “for cause” or random audit/annum = 5 responses.

(4) Total Annual Hourly Burden: 15 hours/annum.

The Commission estimates that five respondents may be required to submit their records for audit each year. We also estimate that each audit response requires approximately three hours to prepare.

5 respondents x 3 hours/yearly audit request = **15 hours**.

(5) Total “In House” Costs: \$1,186.18.

The Commission estimates that respondents use office personnel equivalent to a GS-13/Step 5 (\$60.83/hour) Federal employee, plus 30% overhead, to prepare their “for cause” and/or random audits during a year.

15 hours/audits x \$60.83 /hour = \$912.45
30% overhead = \$273.73
Total: \$1,186.18

- b. State commission Requests for Providers' Initial and Growth Numbering Resource Application Materials:

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- (1) Number of Respondents: 30.
- (2) Frequency of Response: Third party disclosure requirement.
- (3) Total Number of Responses Annually: 2,610 responses.

The Commission estimates that the State commissions may request that 30 respondents (providers) provide information about their initial and growth numbering resources.

30 respondents x 87 requests/annum = 2,610 responses.

- (4) Total Annual Hourly Burden: 433 hours.

The Commission estimates that 30 respondents require approximately 10 minutes per response (0.166 hours) to submit their application materials annually. The Commission makes this estimate based on its belief that providers can provide copies of their original applications, previously submitted to the NANPA or Pooling Administrator, which makes a substantial reduction in the preparation and submission time.

30 x 0.166 hours x 87 application submissions (responses) = **433 hours**.

- (5) Total "In House" Cost: \$34,241.21

The Commission estimates that respondents use office personnel equivalent to a GS-13/Step 5 (\$60.83/hour) Federal employee, plus 30% overhead, to submit their application materials for initial and growth numbering resources.

433 hours/application submissions x \$60.83/hour = \$26,339.39
30% overhead = \$7,901.82
Total: \$34,241.21

Total Number of Respondents: 5 + 30 = 35 respondents

Total Number of Responses Annually: 5 + 2,610 = 2,615 responses

Total Annual Hourly Burden: 15 hours + 433 hours = 448 hours

Total "In-House" Costs: \$1,186.18+ \$34,241.21 = \$35,427.39

13. Estimate of the Total Annual Cost Burden to Respondents or Recordkeepers Resulting from Collection of Information.
 - a. Total Capital and Start-up Cost (annualized over its expected useful life): None.
 - b. Total annual Operation and Maintenance (and Purchase of Service Components): None.
 - c. Total annualized cost requested: None.

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14. The total annualized cost of collecting this information.

Audits will be performed by the Commission's designated agent, a third-party contractor, the Billing and Collection Agent for the North American Numbering Plan Administrator. That third party contractor may itself use a third party to conduct each audit. In most cases, the auditor will not likely travel, relying mostly on facsimiles, electronic mail or regular mail for receipt and review of documents needed to perform the audit (travel days account for the audits as well as surveys that may need to be taken in the beginning). The Billing and Collection agent has estimated that each of the 5 audits will cost approximately \$40,000, for a total of \$200,000 per year, in addition to the travel costs estimated below for one of the audits. Expenses incurred by the Commission's designated agents conducting audits will be paid for from the North American Numbering Plan fund instead of by the Federal government.

- a. Number of auditors participating: 5
- b. Approximate number of audits with travel costs: 1 per year
- c. Approximate number of audits without travel costs: 4 per year.
- c. Travel days per auditor for the 1 audit with travel costs: 4-5
- d. Total travel days per year for the 1 audit with travel costs: 4-5
- e. Average cost per travel week: \$1,400 per week
- f. Total audit travel cost per year: \$2,800
- g. Explanation of calculation: 1 auditor will conduct each of the approximately 5 "for cause" audits at a cost of approximately \$40,000 for each audit in addition to the \$2,800 travel costs for one audit.

At \$1,400 per week for 2 weeks, for 1 auditor, travel costs will total \$2,800:

$\$1,400/\text{week} \times 2 \text{ weeks} \times 1 \text{ auditor} = \$2,800 \text{ travel costs for two audits} + \$200,000 \text{ for 5 total audits.}$

Total Cost to the Federal Government: \$202,800

15. From the last submission to OMB, the Commission is reporting adjustments/decreases of -2,070 to the total number of respondents (from 2,105 to 35), -60,390 to the total annual responses (from 63,005 to 2,615) and -10,025 to the total annual burden hours to this collection (from 10,473 hours to 448 hours). This change was made based on a more accurate estimate of the number of respondents and requests in question 12(b).

There are no program changes.

16. The Commission does not intend to publish this collection of information.

17. The Commission does not intend to seek approval not to display the OMB expiration date because the requirements are contained in FCC rules. However, the Commission publishes a list of OMB-approved information collections in 47 CFR 0.408 of the Commission's rules.

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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.