

SUPPORTING STATEMENT

A. Justification:

The Federal Communications Commission (“Commission”) is requesting that the Office of Management and Budget (OMB) approve a revision to OMB Control No. 3060-1029 – Data Network Identification Code (DNIC). The Commission is developing revised and new electronic forms for this collection as part of the Commission’s modernization of its online, web-based electronic filing system – the International Communications Filing System (ICFS). This Supporting Statement seeks approval for the new and revised forms to request an Data Network Identification Code (DNIC), and reflects changes in the costs and burdens associated with these applications. As a result, this information collection reflects an increase in the annual responses from 2 to 3 responses, decrease in the annual burden hours from 5 to 4 hours and a decrease in annual costs from \$2,470 to \$1,850.

1. Explain the circumstances that make the collection of information necessary.

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) and set forth in Recommendation X.121.¹ Prior to the availability of electronic web-based 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 wishes one assigned 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 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 ICFS. 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.

ICFS Modernization of DNIC Electronic Forms. The Commission seeks OMB approval of revisions to its DNIC application form and the addition of new forms that will be electronically filed through ICFS. The new online forms will ensure the Commission collects the information required by the Commission’s rules. The use of such online forms will reduce costs and administrative burdens on applicants, resulting in greater efficiencies, and improve transparency to the public. Once the Commission receives approval

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, Report and Order, 104 FCC 2d 208, 262-7, paras. 70-77 (1986), *recon. granted in part*, 2 FCC Rcd 7375, 7378-80 paras. 26-34 (1987) (DNIC Report and Order).

for the new forms from OMB, as required by section 1.10006 of the Commission’s rules, we will announce the availability of mandated e-forms and their effective dates.

2. Indicate how, by whom, and for what purpose the information is to be used.

The Commission obtains relevant information from operators of public data networks through the filing of applications for DNICs through ICFS. 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.

ICFS Modernization of DNIC Electronic Forms. As part of the Commission’s modernization of ICFS, we are making substantive changes to the electronic DNIC application forms and once OMB approves the new forms, applicants will be required to file their application in ICFS. The information will be used to ensure compliance with the Commission’s rules. In the Appendix we provide mock-up of the forms and the instructions. Below is a summary of the substantive revisions to the current form and a description of the new forms.

| Name of Form | Brief Description | Rule Section |
|--|--|--|
| 1. DNC-NEW: Request for Assignment of Data Network Identification Code | Revised form to 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>recon. granted in part</i> , 2 FCC Rcd 7375, 7378-80 paras. 26-34 (1987) |
| 2. DNC-WAV: Data Network Identification Codes – Waiver | New form to request to file a stand-alone waiver of DNIC requirements. | R&O in Docket 83-1230, 104 FCC 2d 208, 262-7, paras. 70-77 (1986), <i>recon. granted in part</i> , 2 FCC Rcd 7375, 7378-80 paras. 26-34 (1987); 47 CFR § 1.3 |
| 3. DNC-AMD: Data Network Identification Codes – Amendment | New form to request to amend a pending DNIC application. | R&O in Docket 83-1230, 104 FCC 2d 208, 262-7, paras. 70-77 (1986), <i>recon. granted in part</i> , 2 FCC Rcd 7375, 7378-80 paras. 26-34 (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.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All applicants must file the DNIC application on the Commission's ICFS. 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 ICFS.

4. Describe efforts to identify duplication.

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

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

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

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

If the Commission does not assign DNICs to operators of public data networks, this would result in technical problems preventing the identification and automated switching of data traffic to particular networks.

7. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

The collection of information will not be conducted in any manner inconsistent with the guidelines 5 CFR 1320.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the Agency in response to those comments.

On April 6, 2023, a 60-day notice was published in the Federal Register (88 FR 20,519) to request comments from the public. The comment period ended on June 5, 2023. No comments were received from the public.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

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

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or Agency policy.

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

11. Provide additional justification for any questions of a sensitive nature.

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

12. Provide estimates of the hour burden of the collection of information. The statement should: indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance.

The chart shows the total number of responses and the combined burden hours for in-house staff and outside counsel to provide responses. We estimate that 50% of the burden hours are incurred in-house and 50% by outside counsel.

| Information Collection | Number of Responses | Average Hours Per Response | Total Annual Hour Burden |
|---|---------------------|----------------------------|--------------------------|
| Assignment Procedures for Data Network Identification Code ⁴ | 1 | 4 | 4 |
| Amendment of Pending DNIC Application | 1 | 2 | 2 |
| Notification of Data Network Identification Code Implementation (Notification by letter filed in the ISPC file) | 1 | 0.5 | 0.5 |
| Waiver of DNIC Application Requirements | 0 ⁵ | 3 | 0 |
| Totals: | 3 | 0.5-4 | 6.5 |

Cumulative Total Number of Respondents = 1 respondent

Cumulative Total Annual Responses = 3 responses

Cumulative Total Annual Burden Hours: = 6.5 hours

Therefore, the respondent's burden hours are: 4 (rounded)

In-House Costs

⁴ 47 CFR § 63.701.

⁵ To date the Commission has not received a request to waive the DNIC requirements.

We estimate that 50% of the burden hours are incurred by in-house staff. We estimate that in-house staff is paid at an estimated rate of \$40 per hour.

Total In-House Cost to Respondent – 6.5 hours X 50% X \$40 per hour = **\$130**

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in Question 12 above).

Annual Burden Cost:

(a) Capital and Start-up Costs: None.

(b) Operation and Maintenance Costs:

Outside Legal/Engineering Assistance. We estimate that the respondents will require outside legal and engineering assistance for 50% of the burden hours. The cost of outside legal and engineering assistance is estimated at \$300 per hour.⁶ The figure is based on a small survey of local firms in the D.C. area and is considered a conservative estimate.

6.5 hrs. x 50% x \$300 per hr. = \$975 Total Outside Legal/Engineering Costs

Application Fees. The Commission adopted a new schedule of application fees in 2020 and updated it in 2022.⁷ The current fees are shown in the table below.⁸

| DNIC Application Filing Fees | Number of Applicants Per Year | Application Fees | Cost |
|---|-------------------------------|------------------|---------------|
| New DNIC Filing | 1 | \$875 | \$875 |
| Waiver of DNIC Application Requirements | 0 | \$375 | 0 |
| Totals | | | \$ 875 |

(c) Total Annual Cost Burden = \$975 + \$875 = **\$1,850**

14. Provide estimates of annualized cost to the Federal government.

We make the following estimates for the total annual cost to the Federal Government to review and process the DNIC applications that applicants file annually, in accordance with OMB guidance.⁹

⁶ The rules and requirements in this collection will not require respondents to maintain any special equipment.

⁷ *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), 86 FR 15026; Erratum, October 25, 2021, FCC 21-110. The Commission updates the application fees every even-numbered year, and most recently in 2022. 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, Order, FCC 22-94 (rel. Dec. 16, 2022).

⁸ There is no fee for an amendment of an ISPC application or filing a notification of Data Network Identification Code implementation.

⁹ 5 CFR 1320.5(d)(iii) (“The agency shall also seek to minimize the cost to itself of collecting, processing, and using

While we are utilizing the best available cost information, there are certain limitations to our data. For example, we only have aggregated total costs for ICFS that are not broken down by incremental costs due to the difficulty in identifying with any more precision what those incremental costs are. We utilized the lowest cost collection and analysis methodology consistent with the ultimate purpose and goals of mandatory electronic filing, which are to simplify and reduce filing burdens for applicants and review burdens for the Federal Government.

As the Commission stated in the *2020 Application Fees Notice* and adopted in the *2020 Application Fees Report and Order*, the review of all DNIC applications includes industry analyst processing and review, staff attorney review, and supervisory attorney review.¹⁰ The Commission’s application fees are based on government costs for processing applications up through first line supervisor review.¹¹ The Commission’s costs for review of applications up through the point of grant could, and in most instances will, exceed the costs through first line review. For example, these costs might include staff time for follow-up inquiries with applicants for additional information, higher-level supervisory review, and ICFS administrative work related to granting and tracking applications. The estimated Commission costs described below reflect these additional costs for complete processing and grant of DNIC applications. The review and processing of the applications will be performed by one employee at the GS-14/Step 5 grade level (attorney), up to two employees at the GS-15/Step 5 grade level (supervisor attorneys), and one employee at the GS-11/Step 5 grade level (Industry Analyst).

| Federal Government Staff | Number of Staff | Salary Per Hour | Total Hourly Cost | Annual Burden Hours | Annual Costs |
|---------------------------------|------------------------|------------------------|--------------------------|----------------------------|---------------------|
| GS-15/Step 5 Attorney | 2 | \$84.55 | \$169.10 | 3 | \$507.30 |
| GS-14/Step 5 Attorney | 1 | \$71.88 | \$71.88 | 15 | \$1,078.20 |
| GS-11/Step 5 Industry Analyst | 1 | \$42.68 | \$42.68 | 10 | \$426.80 |
| | 4 | | | | \$2,012.30 |

The combined cost to the Government is \$2,012.30.

15. Explain the reasons for any program changes or adjustments.

There are program changes to this collection. The revised DNC-NEW application contains new questions, although the information collected by these new questions is authorized by the existing ITU guidance set forth in ITU Recommendation X.121. We are also implementing two new DNIC forms, DNC-AMD and DNC-WAV, one of which (DNC-WAV) is associated with an application fee. The estimated number of respondents decreased from 2 to 1 respondent (-1), annual responses has increased from 2 to 3 responses (+1), the annual burden hours have decreased from 5 to 4 (-1), the estimated annual burden has decreased from \$2,470 to \$1,850 (-\$620). These program changes are also due to application

the information, but shall not do so by means of shifting disproportionate costs or burdens onto the public.”).

¹⁰ *2020 Application Fees Report and Order; 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. 163-164 (2020).

¹¹ *2020 Application Fees Report and Order*, 35 FCC Rcd. at 15093, para. 12 (“We estimated the direct labor costs to process a particular application by multiplying an estimate of the number of hours needed for each task, up through first-level supervisory tasks required to process the application. . .”).

fee changes and re-evaluation of the distribution of burden hours between in-house staff and outside counsel.

16. For collections whose results will be published, outline the plans for tabulation and publication.

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

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

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.”

There are exceptions to the certification statement. The Commission is correcting the burden hours which were stated in the 60-day notice as 6.5 hours instead of 4 hours. We are also correcting the annual number of responses from 2 to 3 with this submission. There are no other exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods:

This information collection does not employ statistical methods.

