

SUPPORTING STATEMENT

This submission is being made pursuant to 44 U.S.C. § 3507 of the Paperwork Reduction Act of 1995 to extend an existing information collection in order to obtain Office of Management and Budget (OMB) approval for the full three-year clearance.

A. Justification:

In the 1996 *Second Report and Order*,¹ the Commission adopted mandatory detariffing for the interstate, domestic interexchange services of nondominant interexchange carriers (IXCs). This information collection is necessary to provide consumers ready access to information concerning the rates, terms, and conditions governing the provision of these services in a detariffed and increasingly competitive environment.

a. Information Disclosure Requirement: In the *Second Order on Reconsideration*,² the Commission reinstated the public disclosure requirement that was originally established in the *Second Report and Order* and requires nondominant IXCs to make available to the public information on the current rates, terms, and conditions for all of their interstate, domestic, interexchange services. See 47 C.F.R. § 42.10(a).

b. Internet Posting Requirement: The *Second Order on Reconsideration* requires nondominant IXCs that have Internet websites to make the rate and service information described above in section 1.a available online in a timely and easily accessible manner, and to update this information regularly. See 47 C.F.R. § 42.10(b).

c. Recordkeeping Requirement: Nondominant IXCs are required to maintain at their premises service information regarding all of their interstate, domestic, interexchange service offerings so that they can submit such information to the Commission upon request. See 47 C.F.R. § 42.11.

d. Certification Requirement: Nondominant IXCs that provide detariffed interstate, domestic, interexchange services must file a certification on an annual basis stating that they are providing such services in compliance with their statutory geographic rate averaging obligations under Section 254(g) of the Communications Act of 1934, as amended (the Act). See 47 C.F.R. § 64.1900.

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

¹ See *Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934*, CC Docket No. 96-61, Second Report and Order, 11 FCC Rcd 20730 (1996) (*Second Report and Order*).

² *Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934*, CC Docket No. 96-61, Second Order on Reconsideration and Erratum, 14 FCC Rcd 6004 (1999) (*Second Order on Reconsideration*).

Statutory authority for this information collection is contained in: sections 1, 4(i), 10, 201-205, 215, 218-220, 226, and 254(g) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 160, 201-205, 215, 218-220, 226, and 254(g).

2. The information collection requirements are necessary to provide consumers ready access to information concerning the rates, terms, and conditions governing the provision of interstate, domestic, interexchange services offered by nondominant IXC's in a detariffed and increasingly competitive environment. The information collected under the disclosure requirement and the internet posting requirement ensure that consumers have access to the information they need to select a telecommunications carrier and to bring to the Commission's attention possible violations of the Act. The information collected under the recordkeeping and certification requirements will be used by the Commission to ensure that affected interexchange carriers fulfill their obligations under the Act.

3. The Commission rules impose the Internet posting requirement described in item 1.b above to ensure that consumers and consumer groups that analyze rate and service information can access this information easier using information technology.

4. We know of no duplication of this information. There is no similar information available in this area.

5. The information collection will affect large and small entities. Because the information required to be disclosed is relatively modest, we do not believe that the requirements severely impact small businesses or other small entities. The *Second Order on Reconsideration* minimizes the burden of compliance by exempting nondominant IXC's that do not have an Internet website from the Internet posting requirement described in item 1.b above.

6. If the information required to be disclosed is not collected or is collected less frequently, it will delay implementation of the Commission's detariffing policy, and may make it difficult for the Commission to ensure that carriers fulfill their obligations under the Communications Act, as amended, and the Commission's policies and rules. In addition, consumers may find it more difficult to obtain the information they need to select a telecommunications carrier and to bring to the Commission's attention possible violations of the Communications Act without a specific public disclosure requirement.

7. Nondominant IXC's are required to maintain rate and service information in a manner that allows them to produce such records within ten business days of receipt of a Commission request. This requirement will enable the Commission to meet, in a timely manner, its statutory duty of ensuring that such carriers' rates, terms, and conditions for service are just reasonable, and not unreasonably discriminatory, and that these carriers comply with the geographic rate averaging and rate integration requirements of the 1996 Act. In addition, maintenance of such records will enable the Commission to investigate and resolve complaints quickly. There are no other special circumstances.

8. Pursuant to 5 C.F.R. § 1320.8(d), the Commission published a 60-day notice in the Federal Register to solicit public comment on August 12, 38783. See 90 FR 38783.

9. The Commission does not anticipate providing any payment or gift to respondents.

10. No confidential information is being sought; however, respondents may request materials or information submitted to the Commission be withheld from public inspection under section 0.459 of the Commission's rules. See 47 C.F.R. § 0.459.

11. There are no questions of a sensitive nature with respect to the information collected.

12. The following represents the hours burden estimates of the information collections:

a. Information Disclosure Requirement (Third Party Disclosure):

(1) Number of respondents: Approximately **700**.

(2) Frequency of response: One-time third party disclosure requirement.

(3) Total number of responses annually: Approximately **700**.

(4) Estimated time per response: 1 hour.

(5) Total annual burden: **700 hours**.

The Commission estimates that approximately 700 respondents will require one hour each per filing.

$700 \text{ respondents} \times 1 \text{ response/year} \times 1 \text{ hour} = 700 \text{ hours}$.

(6) Total estimate of "in-house" cost to respondents: **\$38,549**.

(7) Explanation of calculation:

The Commission estimates that the respondents will use personnel comparable to a GS-12/Step 5 employee earning \$55.07 per hour. Thus:

$700 \text{ responses} \times 1 \text{ hour per response} \times \$55.07 \text{ per hour} = \$38,549$.

b. Internet Posting Requirement (Third Party Disclosure):

(1) Number of respondents: Approximately **700**.

(2) Frequency of response: One-time third party disclosure requirement.

(3) Total number of responses annually: Approximately **700**.

(4) Estimated time per response: 1 hour.

(5) Total annual burden: **700 hours**.

The Commission estimates that approximately 700 respondents will require one hour each per filing.

700 respondents x 1 response/year x 1 hour = 700 hours.

(6) Total estimate of “in-house” cost to respondents: **\$38,549.**

(7) Explanation of calculation:

The Commission estimates that the respondents will use personnel comparable to a GS-12/Step 5 employee earning \$55.07 per hour. Thus:

700 responses x 1 hour per response x \$55.07 per hour = \$38,549.

c. Recordkeeping Requirement:

(1) Number of respondents: Approximately **700.**

(2) Frequency of response: Recordkeeping requirement.

(3) Total number of responses annually: Approximately **700.**

(4) Estimated time per response: 1 hour.

(5) Total annual burden: **700 hours.**

The Commission estimates that approximately 700 respondents will require one hour each per filing.

700 respondents x 1 response per year x 1 hour = 700 hours.

(6) Total estimate of “in-house” cost to respondents: **\$38,549.**

(7) Explanation of calculation:

The Commission estimates that the respondents will use personnel comparable to a GS-12/Step 5 employee earning \$55.07 per hour. Thus:

700 responses x 1 hour per response x \$55.07 per hour = \$38,549.

d. Certification Requirement (Reporting Requirement):

(1) Number of respondents: Approximately **700.**

(2) Frequency of response: One-time reporting requirement.

(3) Total number of responses annually: Approximately **700.**

(4) Estimated time per response: 0.5 hours.

- (5) Total annual burden: **350 hours.**

The Commission estimates that it will take no more than 0.5 hours to complete and send the certification requirement to the Commission.

$700 \text{ respondents} \times 1 \text{ response per year} \times 0.5 \text{ hours per year} = 350 \text{ hours.}$

- (6) Total estimate of “in-house” cost to respondents: **\$19,274.50.**

- (7) Explanation of calculation:

The Commission estimates that the respondents will use personnel comparable to a GS-12/Step 5 employee earning \$55.07 per hour. Thus:

$700 \text{ responses} \times 0.5 \text{ hours per response} \times \$55.07 \text{ per hour} = \$19,274.50.$

Total Respondents: 700 respondents

Total Annual Responses: $700 + 700 + 700 + 700 = 2,800$ responses

Total Annual Burden Hours: $700 + 700 + 700 + 350 = 2,450$ hours

Total “In-House” Costs: $\$38,549 + \$38,549 + \$38,549 + \$19,274.50 = \$134,921.50.$

13. Cost to the Respondents: None.

14. The annualized cost to the Federal Government is approximately \$1,547.60. This estimate is based on 20 hours of tariff analysis by a GS-14/Step 5 (\$77.38/hour) employee of the Pricing Policy Division.

15. The Commission has made no adjustments or program changes to this submission.

16. The Commission does not anticipate that it will publish any of the information.

17. The Commission does not seek approval to not display the expiration date for OMB approval of the information collection.

18. There are no exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods:

The Commission does not anticipate that the collections of information will employ statistical methods.