

Note: This submission is made pursuant to 44 U.S.C. 3507 to extend an existing collection that is expiring. The Commission has not changed the reporting requirement for this information collection. We note that the Commission has granted AT&T, Verizon, legacy Qwest, and other similarly-situated carriers forbearance from Form 492-A. *See Petition of AT&T Inc. for Forbearance under 47 U.S. C. §160 from Enforcement of Certain of the Commission's Cost Assignment Rules*, WC Docket Nos. 07-21, 05-342, Memorandum Opinion and Order, 23 FCC Rcd 7302 (2008) (*AT&T Cost Assignment Forbearance Order*). The Commission seeks OMB approval for the extension of this information collection.

## SUPPORTING STATEMENT

### **A. Justification:**

1. Section 220 of the Communications Act of 1934, as amended, 47 U.S.C. 220, allows the Commission, at its discretion, to prescribe the forms of any and all accounts, records and memoranda to be kept by carriers subject to this Act, including the accounts, records and memoranda of the movement of traffic, as well as the receipts and expenditures of monies.

Section 219(b) of the Communications Act of 1934, as amended, 47 U.S.C. 219(b), authorizes the Commission by general or special orders to require any carrier subject to this Act to file monthly reports of earnings and expenses and to file periodic and/or special reports concerning any matters with respect to which the Commission is authorized or required by law to act.

Filing of FCC Form 492 and FCC Form 492A is required by Section 65.600 of the FCC's rules. The annual filing of FCC Form 492 is required from each local exchange carrier or group of affiliated carriers which is not subject to sections 61.41 through 61.49 of the Commission's Rules and which has filed individual access tariffs during the enforcement period. Each local exchange carrier or group of affiliated carriers subject to the previously stated sections shall file their annual FCC Form 492A with the Commission. All carriers are also required to file within 15 months after the end of each calendar year a report reflecting any corrections or modifications. A copy of each report must be retained in the principal office of the respondent and shall be filed in such manner as to be readily available for reference and inspection. The Commission does not specify a retention period for this report. The Rate of Return Monitoring Reports are necessary to enable the Commission to scrutinize the access tariffs and enforce rate-of-return prescriptions.

The statutory authority for this collection of information is contained in 47 U.S.C. Sections 160, 161, 209(b) and 220.

This information collection does not affect individuals or households; thus, there are no

effects under the Privacy Act.

2. The information contained in FCC Forms 492 and 492A is used by staff members for enforcement purposes and by the public in analyzing the industry. The reports are also used by the Commission in the tariff review process and provide both the Commission and the carriers with an early warning system if rate adjustments are necessary to correct significant targeting errors. It also enhances the Commission's ability to quantify the effects of policy proposals.
3. The Commission requires carriers to file the Form 492 and FCC Form 492A data electronically, as that is the least burdensome reporting format. Both forms are available on FCC's Internet Home Page.
4. No duplication of the required data exists outside the agency. The Commission knows of no other existing information that would serve the same regulatory purpose.
5. The collection of information does not involve small businesses or other small entities. These forms are filed only by the local exchange carriers (LECs) that have filed access tariffs with the FCC and the National Exchange Carrier Association (NECA). Most of the small companies choose to be in the NECA pools instead of filing their own access tariff with the Commission.
6. The FCC Forms 492 and 492A are filed once per year. If the forms were filed less frequently, the Commission would not be able to conduct its studies of these data in a timely manner. These data also are necessary to support other Commission oversight functions. As noted above, submissions correcting previously filed data are to be filed within 15 months after the end of each calendar year.
7. The Commission has OMB approved to maintain paper copies for seven years and then disposed of each yearly filing in year eight. However, starting in reporting year 2016, all files are submitted electronically.
8. A 60-day notice was published in the Federal Register pursuant to 5 CFR § 1320.8(d). See 83 FR 50088, October 3, 2018. No PRA comments were received.
9. There will be no payments or gifts to respondents.
10. In most cases, rate-of-return reports do not require submission of any confidential or commercially-sensitive data. The Commission contends that areas in which detailed information is required are fully subject to regulation and the issue of data being regarded as sensitive will arise in special circumstances only. If a respondent finds it necessary to submit confidential or commercially-sensitive data, Section 0.459, 47 CFR, contains the procedures for requesting confidential treatment of data.
11. There are no questions that request confidential or sensitive information in this collection.

12. The following represents the estimate of the annual burden hours and the annual cost burden for this collection of information. We note that the hour burden imposed by the requirement is very difficult to quantify. The following represents our best estimate.

FCC Forms 492 and 492A:

1. Number of respondents: **175**
2. Frequency of response: Annual reporting requirement.
3. Total Number of Responses Annually: **175**

175 carriers x 1 response/annum

4. Total Annual Hourly Burden: **1,400**

The Commission estimates that each respondent takes approximately 8 hours to comply with the requirement.

175 respondents x 8 hours per response = 1,400 hours.

5. Estimated Industry Cost: **\$ 60,494**

175 (number of respondents) x 1 (number of filings) x 8 (hours per filing) x \$43.21 per hour = \$60,494 <sup>1/</sup>

13. The following represents the Commission's estimate of the annual cost burden for respondents or record keepers resulting from the collection of information.

(a)(1) Total capital and start-up cost component (annualized over its expected useful life): \$0. The reporting requirement does not necessitate the purchase of additional equipment.

(b)(2) Total operation and maintenance and purchase of services component: \$0.

14. The Federal Communications Commission no longer tabulates a report based on the data incorporated in FCC Forms 492 and 492A; therefore, there is no cost to the Federal Government.

15. The Commission is reporting adjustments/increases to the number of respondents, responses and burden hours with this collection. The total number of respondents and total annual responses increased to 175 from 137 (+38) and the total burden hours increased to 1,400 from 1,096 (+304). The adjustments/increases are due to one submission of several smaller telecos that never filed before increased the number of Forms 492 and 492A filings since the last submission to OMB.

1] Salary Table 2018 RUS, Incorporating the 1.4% General Schedule Increase and a Locality Payment of 15.37, For the Locality Pay Area of Rest of U.S., Total Increase 1.67%, Effective January 2018.

16. The paper report data from the Forms 492 and 492A are stored in a binder for monitoring purposes.

17. The Commission does not seek approval not to display the expiration date of OMB approval based on the Commission's rules. The Commission publishes a list of all OMB-approved information collections with their associated OMB control numbers, titles and OMB expiration dates under 47 CFR 0.408 of the Commission's rules.

18. There are no exceptions to the Certification Statement.

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

The Commission does not employ the use of statistical methods.