

# NBANC

**North American Numbering Plan  
Billing and Collection Agent**

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John A. Ricker  
Chief Executive Officer

October 30, 1998

Magalie Roman Salas  
Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

RECEIVED

OCT 30 1998

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

RE: CC Docket No. 98-171  
1998 Biennial Regulatory Review –  
Streamlined Contributor Reporting  
Requirements Associated with Administration of  
Telecommunications Relay Services, North  
American Numbering Plan, Local Number  
Portability, and Universal Service Support  
Mechanisms

Dear Ms. Salas:

Enclosed are the original and four copies of the North American Numbering Plan Administration Billing and Collection Agent's (NBANC) comments in the aforementioned proceeding. Acknowledgment and date of receipt of this filing is requested. A duplicate letter is provided for this purpose.

Sincerely,



John A. Ricker

Enclosures  
(Service List and Comments)

No. of Copies rec'd 04  
List ABCDE

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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OCT 30 1998

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

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| In the Matter of                            | ) |                      |
|   | ) |                      |
|   | ) |                      |
| 1998 Biennial Regulatory Review --          | ) |                      |
| Streamlined Contributor Reporting           | ) | CC Docket No. 98-171 |
| Requirements Associated with Administration | ) |                      |
| of Telecommunications Relay Services, North | ) |                      |
| American Numbering Plan, Local Number       | ) |                      |
| Portability, and Universal Service Support  | ) |                      |
| Mechanisms                                  | ) |                      |
|   | ) |                      |

**COMMENTS**

Pursuant to the Commission's September 25, 1998 Notice of Proposed Rulemaking and Notice of Inquiry (NPRM) (NOI) in the above-captioned proceeding, the North American Billing and Collection, Inc. (NBANC), the billing and collection agent for the North American Numbering Plan Administration, hereby submits the following Comments.<sup>1</sup>

**I. INTRODUCTION**

The Commission released its NPRM on September 25, 1998, proposing rule amendments that it believes will simplify the Commission's filing requirements so that a single worksheet will replace several different forms currently filed with similar

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<sup>1</sup> 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Services, North American Numbering Plan, Local Number Portability, and Universal Support Mechanisms, *Notice of Proposed Rulemaking and Notice of Inquiry*, CC Docket No. 98-171, FCC 98-233 (rel. September 25, 1998) (NPRM or NOI).

information. The Commission believes that combining the provision of this information into a single worksheet will reduce the burdens on affected parties.

The Commission proposes to adopt a uniform schedule and location for filing of contribution data, encourage electronic filing of worksheets, harmonize procedures for future changes to the proposed worksheet, authorize administrators to share contributor data under certain circumstances, alter the revenue basis for contributions to the TRS Fund and the NANP administration cost recovery mechanism, and revise the minimum contribution requirements of the TRS Fund, the cost recovery for the NANP administration, and the cost recovery for local number portability administration.

In the NOI portion of the proceeding, the Commission requests comment on the feasibility and desirability of adopting other means to reduce contributor burdens including possible use of a single billing and collection administrator for TRS, Universal Service, NANP, and LNP support and cost recovery mechanisms.

## **II. BACKGROUND**

NBANC, a wholly owned subsidiary of the National Exchange Carrier Association, Inc. (NECA), was established in 1998 to perform the billing and collection functions associated with the cost recovery for the NANP administration.<sup>1</sup> NBANC is governed by a Board of Directors comprised of representatives from the following industry constituent

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<sup>2</sup> Administration of the North American Numbering Plan, CC Docket No. 92-237; Toll Free Access Codes, CC Docket No. 95-155; Third Report and Order and Third Report and Order, 62 Fed. Reg. 55179 (October 23, 1997).

groups: two representatives of domestic interexchange carriers; two representatives of domestic incumbent local exchange carriers; two representatives of the competitive local exchange carriers; two representatives of the wireless carriers; two representatives of non-domestic carriers; two representatives of consumer groups; and two representatives from state and international regulatory bodies.

NBANC's primary function is to calculate, assess, bill, and collect payments for numbering administration functions and distribute funds to NANPA on a monthly basis. In performing its functions, NBANC is currently required to develop and seek FCC and Office of Management and Budget (OMB) approval for the form that it uses to collect relevant revenue data (FCC Form 496).

### **III. COMMENTS on NOTICE OF PROPOSED RULEMAKING**

NBANC supports the use of a single vehicle to collect data necessary to support the billing and collection of funds for the various federally funded programs outlined in the NPRM, to the extent that consideration is given to accounting for the timing differences in the funding periods for the programs, and an equitable mechanism for the sharing of costs of administering a common data collection and database can be established.

#### **A. FCC Form 499**

The proposed data collection form appears to contain sufficient information for the NANP Billing and Collection Agent to perform its assigned tasks. NBANC questions however the need for the inclusion of the NANPA Contribution Factor (Line 326) on the data collection form itself, since Section 52.16 of the Commission's rules requires NBANC to

“Calculate, assess, bill and collect payments for numbering administration functions”.<sup>2</sup> Inclusion of the NANP Contribution Factor on the form appears to be an unnecessary addition, since, assuming the form’s acceptance, the contribution factor will not be known at the time of the form’s distribution.<sup>3</sup>

**B. Administrative Efficiencies**

Collecting essentially the same data to serve as the funding base for multiple programs on separate data collection forms for the use of separate program administrators, is neither cost effective for the entities having to complete the forms, nor the administrators having to maintain separate bases of data with the same revenue information. The proposed combined data collection form administered by a single entity and shared among the program administrators will significantly reduce the burdens on those that contribute to the programs as well as those entities tasked with program administration. The program administrators will collectively gain efficiencies through the maintenance of a common database, e.g., not having to individually enter name and address information into individual databases, and maintaining a single repository for mergers, acquisitions, dissolutions, etc. When questions arise regarding the reported data, only one contact with the telecommunications service provider, rather than multiple contacts by multiple administrators will be required.

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<sup>3</sup> 47 C.F.R. §52.16(a)

<sup>4</sup> The collection of funds for the current funding year utilized a TRS-like process with a pre-established contribution factor in order to expedite the process. Section 52.16(a) of the rules requires the administrator to collect the data, develop a contribution factor, and then, based on the data collected and an approved factor, bill and collect the contributions from the telecommunications service providers. NBANC’s remaining comments in this filing are predicated on the NANP billing and collection requirements in the rules not changing.

NBANC concurs that the authorization of information sharing between administrators will allow for the consolidation of data entry, data review, and audit functions, and increase the reliability of the data collected. NBANC agrees with the proposal to limit such sharing arrangements to ensure that proprietary information received from contributors is not used improperly. NBANC believes that electronic filing of information will ultimately reduce costs for both carriers and the administrators and should be pursued.

C. Timing Issues and Proposed Common Data Period

The NPRM proposes to collect prior calendar year revenue information on the first of April each year, and to utilize the data collected as the basis for determining each telecommunications service provider's funding requirement for each of the programs. NBANC currently is collecting calendar year 1997 revenue information to establish the funding requirement for Year 2 of the North American Numbering Plan Administrator and Billing and Collection Agents' contracts which begin in March 1999, before the calendar year 1998 revenue data is due to be submitted. Any contribution factor that is developed will necessitate using program costs from more than one funding year, e.g., if the Commission were to establish July 1<sup>st</sup> as the date that contribution factors for the programs would be effective, it would necessitate including seven months of costs from year 2 and five months of costs from year 3 of the respective contracts in developing the "annual" contribution factor.<sup>4</sup>

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<sup>5</sup> If July 1 is the date that contribution factors can be used for initial bills, payments from July billing would, under the Commission's proposal be due August 1<sup>st</sup>, with payment to the NANP Administrator due on August 23<sup>rd</sup>. Under this cycle, year 2 costs for August 1998 through February 1999 and year 3 costs for March 1999 through July 1999 would need to be included in the factor development.

Under the Commission's proposal, 1998 data would be submitted on April 1, 1999 and serve as the basis for funding some unspecified period. The database administrator would likely need some period of time to process the forms, follow-up with non-filers, resolve issues with questionable data, etc., before the data would be usable for development of contribution factors for the various programs. Once the data is usable for this function, the respective administrators would be required to file the contribution factors with the Commission for approval, prior to using them for billing.

It would appear that the Commission may be contemplating use of a schedule that is similar to the one it has adopted for its universal service programs, i.e., telecommunications carriers submit the FCC Form 499 on April 1<sup>st</sup>, the respective administrators would file their contribution factors on May 1<sup>st</sup>, and the factors would become effective July 1<sup>st</sup>. It is not clear that thirty days is sufficient time to permit the administrator to perform all of the data entry and validation functions required to permit each of the program administrators to develop and file their respective contribution factors by May 1<sup>st</sup>. The Universal Service Administrative Company's May 1, 1998 filing of its contribution base for the third quarter of 1998 indicated that it had to estimate the revenues for approximately 18 percent of the total funding base because it had yet to receive the required forms.<sup>5</sup>

Given that the database administrator will have additional data to input and verify in essentially the same amount of time as the USAC administrator currently has, one day less

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<sup>6</sup> Fund Size Projections and Contribution Base for Third Quarter, Universal Service Administrative Company filing of May 1, 1998, at page 18.

than the current USAC Form 457, it would appear that consideration should be given to shortening the period of time between the administrators' filings and the effective date of the contribution factors to ensure that the most accurate and complete data is available for use in developing those factors. If all of the programs will have to use similar revenue estimates, it is unclear how the Commission's objectives of improving the accuracy of contributor data and ensuring that carriers contribute appropriate amounts will be achieved, unless sufficient time is allotted between the data collection due date and the date on which contribution factors must be filed.

#### D. Cost Allocation

The NPRM questions whether it is appropriate to alter existing contracts with any respective administrators.<sup>6</sup> Assuming adoption of the single data collection form and the program administrators' use of a common database in performing their respective billing and collection functions, the Commission needs to recommend a mechanism for the allocation of costs of the combined process to the respective administrators for their program.

NBANC's current Form 496 collects twelve lines of information from telecommunications service providers, only three of which are related to revenue information for use in the calculation of the contribution factor for the program. The remaining data items provide carrier name, address and contact information. The proposed Form 499 contains over one-hundred line items of information, of which twenty-seven are related to carrier name, address and contact information, and three are related to revenue information for use

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<sup>7</sup> NPRM at 20.

in the calculation of the contribution factor for the NANPA program.

A cost allocation mechanism for sharing the data collection, processing and system costs needs to be developed that equitably assesses charges to each program. For example, since today each program incurs similar costs to duplicate and transmit the forms to the carriers, an equitable treatment might be to split those costs equally among the four administrators. The number of data items on the form could be useful in assessing the administrative costs of the common data collection and processing. All of the programs require similar information regarding each carrier and its contact person. Since the form consists of approximately 100 data items, of which twenty-seven are related to information regarding provider name, address, carrier type, contact person, etc., twenty-five percent of the cost of the data collection processing and database administration could be assigned to this information and allocated equally to each program administrator. Costs for additional line items containing FCC required information that is not program specific could also be allocated equally across each program. The remaining line items could then be used to allocate the remaining costs, to each program specifically.

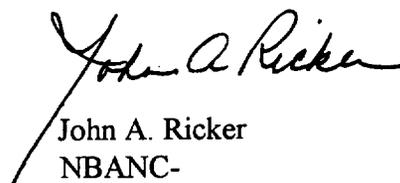
Until such time as the Commission determines a mechanism for allocating the costs of the common data collection and database, addressing the alteration of existing contracts may be premature.

#### **IV. CONCLUSION**

NBANC supports the use of a single vehicle to collect data necessary to support the billing and collection of funds for the various federally funded programs outlined in the

NPRM, to the extent that consideration is given to accounting for the timing differences in the funding periods for the programs, and an equitable mechanism for the sharing of costs of administering a common data collection and database can be established. NBANC also supports the authorization of information sharing between administrators, the proposal to limit such sharing arrangements, concurs that the electronic filing of information will ultimately reduce costs, and should be pursued.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "John A. Ricker". The signature is written in a cursive style with a long, sweeping underline that extends to the left and then curves back under the name.

John A. Ricker  
NBANC-  
Chief Executive Officer

October 30, 1998

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Comments was served this 30th day of October 1998, by hand delivery or by mailing copies United States Mail, first class postage paid, to the persons listed below.

/s/Regina McNeil

Regina McNeil

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