

Before the
Federal Communications Commission
Washington, D.C. 20554

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In the Matter of)
Administration of the)
North American Numbering Plan)
and)
North American Numbering Plan)
Cost Recovery Contribution Factor)
and Fund Size)

FCC MAIL ROOM
CC Docket No. 92-237

NSD File No. 98-149

ORDER

Adopted: December 30, 1998

Released: December 30, 1998

By the Chief, Network Services Division, Common Carrier Bureau:

1. By this Order, we approve the compensation plan for the North American Numbering Plan (NANP) Administration for fiscal year 1999. The Commission, in the original *NANP Order*, implemented section 251(e)¹ of the Telecommunications Act of 1996, by requiring all telecommunications carriers to contribute to the cost recovery for numbering administration.² The Commission required each telecommunications carrier to base its contribution to the North American Numbering Plan Administrator's (NANPA) cost recovery mechanism on its net telecommunications revenues.³ Consistent with section 251(e), the Commission established the North American Numbering Council (NANC) and instructed the NANC to recommend to the Commission neutral entities to serve as the administrator and billing and collection agent for the NANP.⁴ The billing and collection agent's primary function is to calculate, assess, bill and collect payments for numbering administration

¹ 47 U.S.C § 251(e).

² Administration of the North American Numbering Plan, *Report and Order*, 11 FCC Rcd 2588 (1995) (*NANP Order*).

³ Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, *Second Report and Order and Memorandum Opinion and Order*, 11 FCC Rcd 19392, 19541 (1996) (*Local Competition Second Report and Order*).

⁴ *NANP Order*, 11 FCC Rcd at 2607-09.

functions and to distribute funds to the NANPA on a monthly basis.⁵

2. In October 1997, the Commission named Lockheed Martin as the North American Numbering Plan Administrator and established National Exchange Carriers Association (NECA) as the billing and collection agent (B&C Agent).⁶ To resolve any potential neutrality concerns, the Commission ordered NECA to establish a separate subsidiary with its own Board of Directors to carry out the billing and collection function. On December 22, 1997, the Commission approved incorporation of the North American Billing and Collection, Inc. (NBANC) as a wholly owned subsidiary of NECA and its Board was initially convened in April 1998. In the NANPA *Third Report and Order*, the Commission directed NBANC to perform collection activities, and directed NBANC to design a reporting worksheet to collect information to assess contributions and to bill and collect from the carriers the funds necessary to compensate the NANP administrator for numbering plan and central office code administration.⁷

3. Pursuant to section 52.16(a) of the Commission's rules, the NBANC filed its report with the Commission, establishing the contribution factor and fund size required to finance U.S. carriers' share of the NANPA's costs as well as the NBANC's own billing and collection costs for Fiscal Year (FY) 1999.⁸ NBANC indicated that the total funding requirement for FY 1999 is \$4,584,300.⁹ Of that amount, \$4,280,000 will be paid to the NANPA and \$304,300 will be paid to NBANC. According to NBANC's computations, international contributors, namely Canada and the Caribbean Countries will need to contribute \$150,550 (Canada \$126,310 and the Caribbean nations combined \$24,240). These contributions were estimated based on population and adjusted to reflect work performed by others. The domestic carriers' contribution requirement is \$4,433,750 before adjusting for the prior year funding surplus. NBANC indicates that it is holding an \$800,000 surplus from year one, and proposed to offset U.S. contributions by 50% of that surplus, leaving a net domestic contribution requirement of \$4,033,750.

4. To compute the U.S. telecommunications carriers' contribution factor, NBANC

⁵ Administration of the North American Numbering Plan, *Third Report and Order*, and Toll Free Service Access Codes, *Third Report and Order*, 12 FCC 23040, 23057 (1997) (*NANP Third Report and Order*).

⁶ *NANP Third Report and Order*, 12 FCC at 23071-75.

⁷ See *NANP Third Report and Order*, 12 FCC Rcd at 23083. See also 47 C.F.R. §§ 52.16(a) and (b).

⁸ *North American Numbering Plan Administration Contribution Factor and Fund Size for March 1999 Through February 2000*, filed November 20, 1998 (*NBANC Report*). On November 24, 1998, the Common Carrier Bureau issued a Public Notice requesting comments on the data and computations set forth in the *NBANC Report*. See *NBANC Submits the North American Numbering Plan Administration's Contribution Factor and Fund Size for March 1999 Through February 2000*, Public Notice, DA 98-2393 (Com. Car. Bur., rel. Nov. 24, 1998). The Comment period for the Public Notice closed on December 15, 1998. No comments were filed in connection with the *NBANC Report*.

⁹ See *NBANC Report* at page 7 and Exhibits 1 and 2.

uses the data provided by U.S. telecommunications service providers on their respective revenues and payments to other carriers.¹⁰ NBANC calculates that U.S. telecommunications service providers had reported gross telecommunications revenues for 1997 of \$240,681,509,118 and payments to other telecommunications service providers of \$42,171,843,594. NBANC uses these data to compute net U.S. telecommunications revenues of \$198,516,151,777. It then computes the contribution factor 0.000020 by dividing the 1999 funding requirement by net telecommunications revenues.¹¹

5. The Division has reviewed NBANC's submission and approves: (1) its projected 1999 funding requirements for Lockheed and for NBANC, (2) its retention of 50% of 1998's surplus, and (3) the 0.000020 contribution factor for U.S. telecommunications service providers. Based on our review of the report, we find that NBANC's computations comply with section 51.16(a) of the Commission's rules¹² and determine that it may begin billing domestic carriers in February 1999 for the March 1999-February 2000 period at the computed amount. In addition, we approve NBANC's proposed adjustment to the U.S. carriers' contribution factor to reflect the surplus that it has from 1998.

6. Accordingly, IT IS ORDERED, pursuant to section 251(e) of the Communications Act of 1934, as amended, 47 U.S.C. § 251(e), and sections 0.91, 0.291, and 51.16(a) of the Commission's rules, 47 C.F.R. §§ 51.16(a), that NBANC apply the contribution factor of 0.000020 to the net revenue (gross revenues less payments to other carriers) of each telecommunications carrier in the United States. Payments will be due March 12, 1999. Carriers with contribution requirements in excess of \$1,200 may opt to pay in twelve equal monthly installments. A minimum payment requirement of \$100 remains in effect.

7. IT IS FURTHER ORDERED, that the Secretary shall provide a copy of this Order to each state utility commission and to the Chief Counsel for Advocacy of the Small Business Administration.

FEDERAL COMMUNICATIONS COMMISSION

Anna M. Gomez
/B.A.S.

Anna M. Gomez
Chief
Network Services Division
Common Carrier Bureau

¹⁰ Such data are provided on the NANPA Funding Worksheet, FCC Form 496.

¹¹ *NBANC Report* at page 8.

¹² 47 C.F.R. § 52.16(a).