



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES THE PROPOSED NORTH AMERICAN NUMBERING PLAN ADMINISTRATION FUND SIZE ESTIMATE AND CONTRIBUTION FACTOR FOR OCTOBER 2017 THROUGH SEPTEMBER 2018

CC Docket No. 92-237

1. In this Public Notice, the Wireline Competition Bureau announces the proposed North American Numbering Plan (NANP) Administration fund size estimate and contribution factor for the fiscal year October 1, 2017 through September 30, 2018 (Fiscal Year 2017). Proper funding of NANP Administration ensures that consumers will continue to have access to the numbering resources essential to the provision of new services and technologies.

A. Calculating the NANP Administration Fund Size Estimate and Contribution Factor

2. Pursuant to its contract with the Commission and Section 52.16(a) of the Commission's rules, the NANP billing and collection agent, Welch LLP (Welch), is responsible for calculating, assessing, billing, and collecting payments for numbering administration functions, and for distributing funds to the entities that support these functions (e.g., the North American Numbering Plan Administrator (NANPA) and the Pooling Administrator (PA)).¹ Consistent with this function, Welch annually develops the projected numbering administration costs and fund size estimate for the upcoming fiscal year.

3. Under Section 52.17 of the Commission's rules, all telecommunications carriers in the United States are required to contribute on a competitively neutral basis to meet the costs of numbering administration.² To develop these figures, Welch allocates a portion of the funding requirement to all NANP members.³ Specifically, it calculates a Canadian contribution amount, a Caribbean contribution amount, and a U.S. contribution amount. Welch then develops a contribution factor for U.S. telecommunications carriers designed to collect the projected U.S. contribution. The Commission's rules provide that contributions shall

¹ 47 CFR § 52.16(a).

² 47 CFR § 52.17. For purposes of this section, the term "telecommunications carrier" or "carrier" includes interconnected VoIP providers as that term is defined in Section 52.21(h) of the Commission's rules, 47 CFR § 52.17(c).

³ The NANP member countries are Anguilla, Antigua and Barbuda, Bahamas, Barbados, Bermuda, British Virgin Islands, Canada, Cayman Islands, Dominica, Dominican Republic, Grenada, Jamaica, Montserrat, Sint Maarten, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, Turks and Caicos Islands, and the United States (including American Samoa, Puerto Rico, U.S. Virgin Islands, Guam, and the Commonwealth of the Northern Mariana Islands). 47 CFR § 52.5(c).

be the product of the carriers' end-user telecommunications revenues for the prior calendar year⁴ and the contribution factor, and such contribution shall be no less than twenty-five dollars (\$25).⁵

B. Billing and Collection Agent Projection of the Fund Size Estimate and Contribution Factor

4. On July 6, 2017, Welch filed a fund size estimate and contribution factor for recovering the cost of NANP Administration for Fiscal Year 2017, in accordance with Section 52.16(a) of the Commission's rules.⁶ Welch proposes a funding requirement of \$8,032,418 for Fiscal Year 2017, and a contribution factor of 0.0000518.⁷ The funding requirement contemplates a Canadian contribution of \$116,596, a Caribbean contribution of \$24,429, a U.S. contribution of \$7,506,473, and the application of \$384,920 from the accumulated surplus from the prior fiscal year.⁸ The funding requirement also, as in previous years, contemplates a contingency fund. This year's contingency fund is \$1,000,000.⁹ Greater detail about the factors considered by Welch in establishing the fund size estimate, contribution factor, and contingency fund may be found in Welch's monthly fund reports.¹⁰

C. Effective Date of the Fund Size Estimate and Contribution Factor

5. If the Commission takes no action regarding the proposed fund size estimate and contribution factor within the 14-day period following release of this Public Notice, the fund size estimate and the contribution factor are considered approved by the Commission and become effective for Fiscal Year 2017.¹¹

6. For further information, contact Marilyn Jones, Competition Policy Division, Wireline Competition Bureau, at (202) 418-2357 or marilyn.jones@fcc.gov; or Michelle Sclater, Competition Policy Division, Wireline Competition Bureau, at (202) 418-0388 or michelle.sclater@fcc.gov.

⁴ The estimated carriers' end-user telecommunications revenues used by the NANP billing and collection agent for Fiscal Year 2017 are approximately \$144.9 billion. See Letter from Mark Jackson, Partner, Welch LLP, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 92-237 (filed Jul. 6, 2017) (*Fiscal Year 2017 Contribution Factor Filing*).

⁵ 47 CFR § 52.17(a).

⁶ *Fiscal Year 2017 Contribution Factor Filing* at 2.

⁷ *Id.* The proposed contribution factor is higher than last year (0.0000368) due to increased costs and lower industry revenue base than in the prior period. *Id.* For example, the budget size estimate for Fiscal Year 2017 takes into consideration the costs for anticipated modifications to the NANPA and PA contracts totaling over \$166,000.00. The budget also takes into account the remaining \$741,000.00 cost of an approved modification to the PA contract necessitated by transition to a new LNPA. *Id.* at 3, 5. See also Contract for Pooling Administration Services for the Federal Communications Commission, FCC Contract No. 13C0007, Change Order # 3B (awarded through Contract Modification 9 on March 22, 2017).

⁸ *Id.* at 2-3.

⁹ *Id.* at 2. The contingency allowance is to provide for additional costs not included in the budget, cost of contracts awarded at amounts higher than provided in the budget, or additional costs due to changes in the scope of work if mandated by the FCC. *Id.* at 4.

¹⁰ See North American Numbering Plan Fund, Monthly Fund Reports, <http://nanpfund.com/monthly-fund-reports> (last visited July 11, 2017).

¹¹ See, e.g., *Wireline Competition Bureau Announces the Proposed North American Numbering Plan Administration Fund Size Estimate and Contribution Factor for October 2016 Through September 2017*, CC Docket No. 92-237, Public Notice, 31 FCC Rcd 8822 (2016); see also *Wireline Competition Bureau Announces the Proposed North American Numbering Plan Administration Fund Size Estimate and Contribution Factor for July 2015 Through September 2016*, CC Docket No. 92-237, Public Notice, 30 FCC Rcd 6125 (2015).

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