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WIRELINE COMPETITION BUREAU ANNOUNCES THE PROPOSED NORTH AMERICAN NUMBERING PLAN ADMINISTRATION FUND SIZE ESTIMATE AND CONTRIBUTION FACTOR FOR OCTOBER 2021 THROUGH SEPTEMBER 2022

CC Docket No. 92-237

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, 2021 through September 30, 2022 (Fiscal Year 2022). 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

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 (for example, the North American Numbering Plan Administrator (NANPA)).¹ Consistent with this function, Welch annually develops the projected numbering administration costs and fund size estimate for the upcoming fiscal year.

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 be the product of the carriers' end-user telecommunications revenues for the prior calendar year and the contribution factor, and such contribution shall be no less than \$25.⁴ In

⁴ 47 CFR § 52.17(a).

¹ 47 CFR § 52.16(a).

² 47 CFR § 52.17. For purposes of this section and this public notice, the term "telecommunications carrier" or "carrier" includes interconnected voice over Internet protocol (VoIP) providers as that term is defined in section 52.5(b) of the Commission's rules, 47 CFR § 52.5(b). *See also* 47 CFR § 52.5(j) (defining "telecommunications service" and stating that, for the purpose of part 52 of the Commission's rules, "telecommunications service" includes interconnected VoIP service).

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(d).

2018, the Commission determined that the funding mechanism for NANP administration would also be used to recover the costs to establish the Reassigned Numbers Database.⁵

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

On June 29, 2021, Welch filed a fund size estimate and contribution factor for recovering the cost of NANP Administration for Fiscal Year 2022, in accordance with section 52.16(a) of the Commission's rules.⁶ Welch proposes a funding requirement of \$8,635,136 for Fiscal Year 2022, and a contribution factor of 0.0000535, lower than last year's factor of 0.0001267.⁷ Last year's 0.0001267 contribution factor included two parts: 0.0000699 to support NANP activities and 0.0000568 to support Reassigned Numbers Database creation costs.⁸ The RND creation contribution was a one-time special assessment and was not required this fiscal year.

The proposed contribution factor (0.0000535) is lower than the portion of last year's factor attributable to NANP costs (0.0000699) for two reasons.⁹ First, as in previous years, the funding requirement contemplates a contingency fund. This year's contingency fund is \$1,000,000, down from \$2,000,000 last year.¹⁰ Second, the anticipated surplus of \$3,492,218 as of September 30, 2021 that is being offset against the NANP activity costs is higher than the prior year's surplus. This year's surplus is higher mainly because the budgeted NANPA and pooling transition costs of \$1,110,836 in the prior fiscal year's budget were not expended and no transition costs were required to be budgeted for this fiscal year. The funding requirement contemplates a Canadian contribution of \$150,157, a Caribbean contribution of \$29,043, a U.S. contribution of \$4,963,718, and the application of \$3,492,218 from the accumulated surplus from the prior fiscal year.¹¹ 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.¹²

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

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 2022.¹³

 7 *Id*. at 4

⁸ Id.

⁹ Id.

(continued....)

⁵ See Advanced Methods to Target and Eliminate Unlawful Robocalls, CG Docket No.17-59, Second Report and Order, 33 FCC Rcd 12024, 12041, para. 47 (2018).

⁶ Letter from Mark Jackson, Partner, Welch LLP, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 92-237 (filed June 29, 2021) (Fiscal Year 2022 Contribution Factor Filing).

¹⁰ *Compare id.* at 4 with Letter from Mark Jackson, Partner, Welch LLP, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 92-237, at 4 (filed July 15, 2020).

¹¹ Fiscal Year 2022 Contribution Factor Filing at 4-5. The minimum funding requirement for NANP activities of \$25 per carrier will remain, (*see id.* at 4) but, unlike last fiscal year, there is no carrier funding requirement for the creation of the Reassigned Numbers Database.

¹² See North American Numbering Plan Fund, Monthly Fund Reports, <u>http://nanpfund.com/monthly-fund-reports</u> (last visited July 27, 2021).

¹³ See, e.g., Wireline Competition Bureau Announces the Proposed North American Numbering Plan Administration Fund Size Estimate and Contribution Factor for October 2020 Through September 2021, CC Docket No. 92-237, Public Notice, 35 FCC Rcd 8595 (2020); Wireline Competition Bureau Announces the Proposed North American

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Numbering Plan Administration Fund Size Estimate and Contribution Factor for October 2019 Through September 2020, CC Docket No. 92-237, Public Notice, 34 FCC Rcd 7276 (2019).