



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 2019 THROUGH SEPTEMBER 2020

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, 2019 through September 30, 2020 (Fiscal Year 2020). 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 (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.

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

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).

⁴ 47 CFR § 52.17(a).

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

On June 26, 2019, Welch filed a fund size estimate and contribution factor for recovering the cost of NANP Administration for Fiscal Year 2020, in accordance with section 52.16(a) of the Commission's rules.⁵ Welch proposes a funding requirement of \$11,436,421 for Fiscal Year 2020, and a contribution factor of 0.0000908.⁶ The proposed contribution factor is higher than last year's factor (0.0000427) for several reasons. First, NANPA and PA contract costs are projected to increase from last year's projected combined \$5,926,018 to a combined \$8,304,756.⁷ These costs are based on current one-year contracts and two months of transition contract cost (\$481,666).⁸ Second, the proposed increase takes into account the recovery of a prior year deficit (\$934,769) which resulted from the transition of the NANPA contract in November 2018 and the subsequent cost of transition to a bridge contract.⁹ Third, the budget reflects a proposed increase in the contingency fund from \$1,000,000 to \$2,000,000 based on "consideration of potential change orders as well as contract uncertainty and potential base contract rate increase."¹⁰ Finally, the increase reflects lower projected industry revenue (reduced from \$132 billion to \$123 billion).¹¹ The funding requirement contemplates a Canadian contribution of \$164,078, a Caribbean contribution of \$32,818, and a U.S. contribution of \$11,178,803.¹² 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, as well as certain other reports.¹³

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

⁵ Letter from Mark Jackson, Partner, Welch LLP, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 92-237 (filed June 26, 2019) (Fiscal Year 2020 Contribution Factor Filing).

⁶ *Id.* at 4.

⁷ Letter from Mark Jackson, Partner, Welch LLP, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 92-237, Exh. 1 (filed June 26, 2018) (Fiscal Year 2019 Contribution Factor Filing); Fiscal Year 2020 Contribution Factor Filing, Exh. 1.

⁸ North American Numbering Council, *NANP Fund Budget and Contribution Factor for October 2019 to September 2020*, http://www.nanc-chair.org/docs/NANC_report_re_NANPA_FUND_BUDGET_AND_CONTRIBUTION_FACTOR_FOR_OCTOBER_2019_TO_SEPTEMBER_2020_.pdf, at 1 (last visited Aug. 20, 2019) (Fiscal Year 2020 Budget Report).

⁹ North American Numbering Council, *NANC Contract Oversight Subcommittee June 20, 2019 Report*, http://www.nanc-chair.org/docs/June_2019_COSC_NAOWG_NANC_Report_Final_.pptx, 5 (last visited Aug. 20, 2019) (NANC Contract Oversight Subcommittee June 20, 2019 Report).

¹⁰ Fiscal Year 2019 Contribution Factor Filing, Exh. 1; Fiscal Year 2020 Contribution Factor Filing, Exh. 1; NANC Contract Oversight Subcommittee June 20, 2019 Report at 5.

¹¹ Fiscal Year 2019 Contribution Factor Filing, Exh. 1; Fiscal Year 2020 Contribution Factor Filing at 4.

¹² Fiscal Year 2020 Contribution Factor Filing at 4-5. In addition, Canada will contribute \$50,185 towards the deficit recovery amount and the Caribbean countries will contribute \$10,537. *Id.* at 5. For budgeting purposes the Caribbean countries' contribution refers to that for all participating countries except for the U.S. and Canada. *See id.*, Exh. 1.

contribution factor are considered approved by the Commission and become effective for Fiscal Year 2020.¹⁴

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¹³ See North American Numbering Plan Fund, Monthly Fund Reports, <http://nanpfund.com/monthly-fund-reports> (last visited Aug. 20, 2019); Fiscal Year 2020 Budget Report; NANC Contract Oversight Subcommittee June 20, 2019 Report.

¹⁴ See, e.g., *Wireline Competition Bureau Announces the Proposed North American Numbering Plan Administration Fund Size Estimate and Contribution Factor for October 2018 Through September 2019*, CC Docket No. 92-237, Public Notice, 33 FCC Rcd 6726 (2018); see also *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, Public Notice, 32 FCC Rcd 6615 (2017).