

**FISCAL NOTE
PRIVATE COST**

- I. Department Title:** Missouri Department of Economic Development
Division Title: Missouri Public Service Commission
Chapter Title: Chapter 3 – Filing and Reporting Requirements

Rule Number and Title:	4 CSR 240-3.570 Requirements for Carrier Designation as Eligible Telecommunications Carriers
Type of Rulemaking:	Rule Revision

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the first year cost of compliance with the rule by the affected entities:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities (years 2-4):
44	Incumbent local exchange companies (ILECs) with ETC status	\$26,400	\$79,200
5	Competitive local exchange companies (CLECs) with ETC status	\$3,000	\$9,000
8	Wireless carriers with ETC status	\$27,300	\$81,900
7	Pending ETC applicants	\$0	\$0
Totals		\$56,700	\$170,100

III. WORKSHEET

1. An attorney representing small ILECs indicated the proposed rulemaking may require 8 hours of additional work per year in order to provide the required information in an annual filing to the Missouri Commission. Uncertain whether this work could be completed by in-house personnel or whether assistance will be needed from outside vendors.
2. One wireless carrier with ETC status indicated the proposed rulemaking will have a fiscal impact of \$5,000 to \$10,000 for map creation.

IV. ASSUMPTIONS

ILEC ETC assumptions:

- Projected fiscal impact for ILECs assumes a \$75 per hour cost. Therefore, 8 hours * \$75 = \$600 per year cost per ILEC ETC. \$600 * 44 companies = **\$26,400** fiscal impact for ILEC ETCs during Year 1. Fiscal impact for Years 2-4 is based on: \$26,400 * 3 years = **\$79,200**.

CLEC ETC assumptions:

- No feedback was obtained from competitive local exchange companies with ETC status; however, the same per company fiscal impact was assumed as projected for ILEC ETCs. Thus, a \$600 annual fiscal cost * 5 CLECs = **\$3,000** projected fiscal impact for Year 1. Fiscal impact for Years 2-4 is based on \$3,000 * 3 years = **\$9,000**.

Wireless ETC assumptions:

- No feedback was obtained from wireless carriers for providing an annual filing to the Missouri Commission other than the projected fiscal impact for map creation. Nevertheless the same per company fiscal impact was assumed as projected for ILEC ETCs. Thus, a \$600 annual fiscal cost * 8 wireless ETCs = **\$4,800** projected fiscal impact for Year 1. Fiscal impact for Years 2-4 is based on \$4,800 * 3 years = **\$14,400**.
- The \$5,000 to \$10,000 fiscal impact cited by one wireless carrier for map creation is assumed to be an annual cost limited to wireless carriers receiving high-cost support. This fiscal impact projection is assumed to occur even though proposed rule 4 CSR 240-3.570(4)(A)2 does not specifically establish a map creation requirement but rather simply states a preference for a map identifying the area(s) affected by any new construction. Three wireless carriers currently have ETC status for the purposes of receiving high-cost support. A \$7,500 projected fiscal impact is assumed for these three wireless ETCs. Thus, \$7,500 * 3 wireless ETCs = **\$22,500** projected fiscal impact for wireless ETCs in Year 1. Fiscal impact for Years 2-4 is based on \$22,500 * 3 years = **\$67,500**.
- Combined assumed projections for wireless ETCs:
 - Year 1: \$4,800 + \$22,500 = **\$27,300**.
 - Year 2-4: \$14,400 + \$67,500 = **\$81,900**.

Pending ETC applicant assumptions:

- No feedback was obtained from pending ETC applicants; however, no fiscal impact was projected since it is assumed additional information can be obtained from data requests regardless of this rulemaking.