61 Forsyth Street, SW., Atlanta, GA 30303–3104; (404) 562–8440. You can examine copies of the materials submitted by North Carolina during normal business hours at the following locations: EPA Region 4 Library, The Sam Nunn Atlanta Federal Center, 61 Forsyth Street, SW., Atlanta, GA 30303–3104; (404) 562–8190, and North Carolina Department of Environment and Natural Resources, P.O. Box 27687, Raleigh, North Carolina 29201, (919) 733–2178.

FOR FURTHER INFORMATION CONTACT: Narindar Kumar, Chief RCRA Programs Branch, Waste Management Division, U.S. Environmental Protection Agency, The Sam Nunn Atlanta Federal Center, 61 Forsyth Street, SW., Atlanta, GA 30303–3104; (404) 562–8440.

SUPPLEMENTARY INFORMATION: For additional information see the immediate final rule published in the rules section of this **Federal Register**.

Dated: August 28, 1998.

A. Stanley Meiburg,

Regional Administrator, Region 4.

[FR Doc. 98–28491 Filed 10–22–98; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Chapter I

[CC Docket No. 96–61; FCC 98–258]

Policy and Rules Concerning the Interstate, Interexchange Marketplace

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Further Notice of Proposed Rulemaking examines restrictions that limit a common carrier's ability to bundle certain goods and services together and offer such bundles to the public. The goods and services at issue include telecommunications services, enhanced services, and customer premises equipment (CPE). Our rules currently prohibit telecommunications carriers from bundling telecommunications services with CPE, and place restrictions on the bundling of telecommunications services with enhanced services. Our current restrictions not only prevent carriers from offering distinct goods and/or services only on a bundled basis, but also prohibit carriers from offering ''package discounts,'' which enable customers to purchase an array of products in a package at a lower price than the individual products could be purchased separately. In this proceeding, we examine whether market conditions have changed sufficient to warrant lifting our restrictions on the bundling of CPE and enhanced services with basic telecommunications services.

DATES: Comments are due on or before November 23, 1998 and reply comments are due on or before December 23, 1998.

ADDRESSES: Comments and reply comments should be sent to Office of the Secretary, Federal Communications Commission, 1919 M Street, NW, Room 222, Washington, DC 20554, with a copy to Janice Myles of the Common Carrier Bureau, 1919 M Street, NW, Room 544, Washington, DC 20554. Parties should also file one copy of any documents filed in this docket with the Commission's copy contractor, International Transcription Services, Inc., 1231 20th St., NW, Washington, DC 20036.

FOR FURTHER INFORMATION CONTACT: Michael Pryor, Deputy Chief, Policy and Program Planning Division, Common Carrier Bureau, (202) 418–1580. Further information may also be obtained by calling the Common Carrier Bureau's TTY number: 202–418–0484.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Further Notice of Proposed Rulemaking adopted October 1, 1998 and released October 9, 1998 (FCC 99–258). The full text of this Notice of Proposed Rulemaking is available for inspection and copying during normal business hours in the FCC Reference Center, 1919 M St., NW, Room 239, Washington, DC. The complete text also may be obtained through the World Wide Web, at http://www.fcc.gov/Bureaus/Common Carrier/Orders/fcc9735.wp, or may be purchased from the Commission's copy contractor, International Transcription Service, Inc., (202) 857–3800, 1231 20th St., NW, Washington, DC 20036.

Initial Regulatory Flexibility Act Analysis: Pursuant to the Regulatory Flexibility Act (RFA), the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities of the policies and rules in this Further NPRM of Proposed Rulemaking (Further NPRM). Written public comments are requested on the IRFA. These comments must be filed in accordance with the same filing deadlines as comments on the rest of the Further NPRM, and should have a separate and distinct heading designating them as responses to the IRFA. The Commission shall send a copy of this Further NPRM, including the IRFA, to the Chief Counsel for Advocacy of the Small Business Administration in accordance with the RFA, 5 U.S.C. 603(a).

Synopsis of Notice of Proposed Rulemaking

I. Introduction

1. In this Further Notice of Proposed Rulemaking (Further NPRM), we examine restrictions that limit a common carrier's ability to bundle certain goods and services together and offer such bundles to the public. The goods and services at issue include telecommunications services, enhanced services, and customer premises equipment (CPE). Bundling means selling different goods and/or services together in a single package. Our rules currently prohibit telecommunications carriers from bundling telecommunications services with CPE, and place restrictions on the bundling of telecommunications services with enhanced services. Our current restrictions not only prevent carriers from offering distinct goods and/or services only on a bundled basis, but also prohibit carriers from offering ''package discounts,'' which enable ''customers [to] purchase an array of products in a package at a lower price than the individual products could be purchased separately.''

2. In this proceeding, we examine whether market conditions have changed sufficiently to warrant lifting our restrictions on the bundling of CPE and enhanced services with basic telecommunications services. At the time the Commission adopted the CPE and enhanced services bundling restrictions, the Commission recognized, ''[i]f the markets for components of [a] commodity bundle are workably competitive, bundling may present no major societal problems so long as the consumer is not deceived concerning the content and quality of the bundle.''

3. This review is consistent with our overall effort to reduce regulation wherever conditions warrant. The review we take in this notice is also consistent with our statutory obligation, as part of our biennial review of regulations, to eliminate or modify regulations that ''are no longer necessary in the public interest as the result of meaningful economic competition.''

II. Background

4. In light of changes in the interexchange market over the past decade and the passage of the Telecommunications Act of 1996 (1996 Act), the Commission issued a Notice of Proposed Rulemaking, 61 FR 14717,

April 3, 1996, (*Interexchange NPRM*) on March 25, 1996, initiating a review of the Commission's regulation of interstate, domestic, interexchange services. The *Interexchange NPRM, inter alia,* sought comment on the Commission's tentative conclusion to revise its rule against bundling of common carrier communications services and CPE by allowing nondominant interexchange carriers to bundle CPE with interstate, domestic, interexchange telecommunications services.

5. In the *Interexchange Second Report and Order,* 61 FR 59340, November 22, 1996, the Commission deferred action on its tentative conclusion to modify the CPE bundling restriction. The Commission noted that AT&T, in its comments on the Commission's tentative conclusions regarding CPE bundling, raised the issue of whether the Commission should also eliminate the restrictions on bundled packages of enhanced and interexchange services offered by nondominant interexchange carriers. The enhanced services restriction (which is not codified in the Commission's rules) was adopted by the Commission in the *Computer II* proceeding. In the *Interexchange Second Report and Order,* the Commission stated that it would issue a Further NPRM addressing the continued application of both the CPE and enhanced services bundling restrictions.

6. We note, in addition, that Congress required the Commission to conduct a biennial review of regulations that apply to operations or activities of any provider of telecommunications service and to repeal or modify any regulation it determines to be ''no longer necessary in the public interest.'' Accordingly, the Commission has begun a comprehensive 1998 biennial review of telecommunications and other regulations to promote ''meaningful deregulation and streamlining where competition or other considerations warrant such action.'' In this Further NPRM, therefore, we seek comment on the extent to which the continued application of both the CPE and enhanced services bundling restrictions is ''no longer necessary in the public interest.''

7. In order to develop a more detailed and complete record than was possible in the context of the much larger *Interexchange Proceeding,* we issue this Further NPRM focused solely on the bundling and package discount issues. In addition to developing a more complete record on the issues surrounding bundling and discounts on packages of CPE and interstate, domestic, interexchange services offered by nondominant interexchange carriers, we seek further comment on the issues raised by commenters. We believe that developing a more complete record on our previous tentative conclusions, and the issues raised by the parties, will facilitate more informed decision-making. We therefore ask interested parties to respond to the issues raised in this Further NPRM. To the extent that parties want any arguments made in response to the *Interexchange NPRM* to be made part of the record for this Further NPRM, we ask them to restate those arguments in their comments.

III. Discussion

A. CPE Unbundling

8. In the *Computer II* proceeding, the Commission adopted a rule requiring all common carriers to sell or lease CPE separate and apart from such carriers' regulated communications services, and to offer CPE solely on a deregulated, non-tariffed basis. Section 64.702(e) of our rules provides:

> Except as otherwise ordered by the Commission, after March 1, 1982, the carrier provision of customer-premises equipment used in conjunction with the interstate telecommunications network shall be separate and distinct from provision of common carrier communications services and not offered on a tariffed basis.

Carriers previously had provided CPE to customers as part of a bundled package of services. The Commission required carriers to separate the provision of CPE from the provision of telecommunications services because it found that continued bundling of telecommunications services with CPE could force customers to purchase unwanted CPE in order to obtain necessary transmission services, thus restricting customer choice and retarding the development of a competitive CPE market. The Commission recognized, however, that there may not be any anticompetitive effects of bundling ''[i]f the markets for components of [a] commodity bundle are workably competitive.''

9. In the *Interexchange NPRM,* the Commission tentatively concluded that it should modify the CPE bundling restriction codified in section 64.702(e) to allow nondominant interexchange carriers to bundle CPE with their interstate, domestic, interexchange services. The Commission noted that bundling may benefit consumers and promote competition, as long as the markets for the components of the bundle are substantially competitive so that carriers could not engage in anticompetitive conduct. The Commission tentatively concluded that, in light of the development of substantial competition in the markets for CPE and interstate, interexchange services, it was unlikely that nondominant interexchange carriers could engage in the type of anticompetitive conduct that led the Commission to prohibit the bundling of CPE with the provision, *inter alia,* of interstate, domestic, interexchange services. In support of this tentative conclusion, we note that the Commission has previously determined that the CPE market is competitive, and that the interstate, domestic, interexchange market is substantially competitive.

10. We seek comment on whether the restriction against bundling CPE with interstate, domestic, interexchange services ''is no longer necessary in the public interest due to meaningful economic competition'' in both the CPE and interstate, domestic, interexchange markets. In particular, we seek further comment on our tentative conclusion that both the CPE market and the interstate, domestic, interexchange services market demonstrate sufficient competition that it is unlikely that nondominant interexchange carriers could engage in anticompetitive behavior should the Commission allow the bundling of CPE with interstate, domestic, interexchange services. Commenters should provide empirical data on the level of competition in the interexchange and CPE markets to support their comments on these issues. We note that IDCMA previously submitted comments arguing that an interexchange carrier, even if lacking market power, nevertheless might have the ability to force consumers of their interstate, interexchange service offerings to purchase CPE from that same interexchange carrier. We seek comment on IDCMA's argument. We also seek comment on whether interexchange carriers that lack market power could ''lock in'' customers, through the use of long-term contracts and early termination penalties, and thus impede competition in the CPE market.

11. The Commission has previously found that bundling may be used as an ''efficient distribution mechanism'' and an ''efficient promotional device'' that may allow consumers to obtain goods and services ''more economically than if it were prohibited.'' We seek comment on whether we would benefit consumers and foster increased competition in the CPE and interexchange services markets by eliminating the CPE unbundling rule for nondominant interexchange carriers. We also seek comment on whether other

benefits or costs would result from modifying the CPE unbundling rule as it applies to these carriers. Parties should address whether amending the CPE unbundling rule for nondominant interexchange carriers would benefit consumers, by enabling carriers as well as CPE vendors to offer consumers innovative packages at prices that reflect reduced transaction costs. Parties should also address the contention raised by IDCMA, CERC, and ITAA in their previous comments that allowing nondominant interexchange carriers to bundle CPE and interstate, domestic, interexchange services would not benefit consumers, because the unbundling rule does not preclude interexchange carriers from offering one-stop shopping and creating service/equipment packages; it only requires them to charge separately for each component. We also seek comment on whether the Commission should adopt transition mechanisms if we were to permit bundling of CPE and interstate, domestic, interexchange services, and if so, what transition mechanisms should be adopted.

12. In the *Interexchange NPRM,* the Commission also sought comment on the effect that the proposed amendment of § 64.702(e) would have on the Commission's other policies or rules. We seek comment on whether the proposal to allow bundling and discounts for packages of CPE with interstate, domestic, interexchange service is consistent with the purposes of the Act. In particular, we seek further comment on whether there are any other provisions of the Act or the Commission's rules and regulations that are relevant to our analysis. For example, IDCMA and CERC assert in their prior comments that the Commission's proposal is inconsistent with the intent of Congress, as demonstrated by section 629 of the Act, which prohibits the bundling of multichannel video programming service with the equipment used by consumers to access multichannel video programming service.

13. In addition, we seek comment on whether or under what conditions bundling of CPE with interstate, domestic, interexchange services would violate the requirements in sections 201 and 202 of the Act that rates, practices, and classifications be just, reasonable, and not unjustly or unreasonably discriminatory. Parties should address whether, as IDCMA contends, an interexchange carrier that provides transmission service at a lower price to customers that agree to use carrier-provided CPE would violate sections 201 and 202. Parties should also address whether an interexchange carrier that provides CPE at a discount to customers that agree to use that carrier's interstate, domestic, interexchange services would violate sections 201 and 202. Parties should further address IDCMA's assertion that an interexchange carrier ''could choose to make transmission service available only to customers that agreed to obtain carrier-provided CPE,'' in violation of the nondiscrimination requirements found in section 202 of the Act.

14. We also seek further comment on IDCMA's assertion that allowing interexchange carriers to bundle CPE with interstate, domestic, interexchange services would cause the Commission to reregulate CPE because interexchange carriers could offer CPE as a part of their regulated transmission offering. Parties should address IDCMA's contention that, because the Commission would have to ensure that a bundle of CPE and the regulated transmission offering comply with Title II pricing requirements, the Commission would necessarily need to impose Title II regulation on CPE. Parties should further address whether such concerns about reregulation of CPE would apply if the CPE and the interstate, domestic, interexchange services are priced separately, but a package discount is given for customers that purchase both products. U S West, citing the *Cellular Bundling Order,* 57 FR 28466, June 25, 1992, suggests that the Commission could avoid the regulation of CPE by permitting packaging of CPE and transmission services, but continuing to require that CPE and common carrier services be treated, for regulatory purposes, as different products subject to different regulatory regimes (*i.e.* that CPE remain unregulated). We seek comment on whether such an approach is appropriate in this instance. We further seek comment on any other issues that may arise when CPE is packaged with a telecommunications service that is regulated under Title II of the Act.

15. We further seek comment on the contention raised by IDCMA, CERC, and ITAA that permitting nondominant interexchange carriers to bundle CPE and interstate, domestic, interexchange services would allow such carriers to subsidize the provision of equipment from the charges for service. In addition, we seek comment on the basis upon which to allocate revenue between telecommunications services and CPE when priced as a package for purposes of calculating a carrier's universal service contribution.

16. Moreover, we seek comment on whether and how the CPE bundling proposal would affect the Commission's Part 68 rules. Specifically, although we have not proposed modifications to the Commission's Part 68 registration program in this Further NPRM, we seek comment on whether the ''demarcation point'' between telephone company communications facilities and terminal equipment, as defined in section 68.3 of the Commissions rules, would change if CPE and interexchange carriers network offerings were bundled or packaged together at a discount, and what effect, if any, this would have on the Commission's Part 68 program.

17. We further seek comment on whether and how the CPE bundling proposal would affect a carrier's disclosure obligation under § 64.702(d)(2), the ''all-carrier rule.'' Section 64.702(d)(2) requires that all carriers owning basic transmission facilities disclose to the public all information relating to network design ''insofar as such information affects either intercarrier interconnection or the manner in which interconnected CPE operates.'' We seek comment on the concern expressed by IDCMA and CERC that carriers that offer bundled CPE and service packages will not provide independent or unaffiliated equipment manufacturers with the necessary technical interface information. In particular, we seek comment on whether we need to require public disclosure of network interfaces beyond what is already required in section 64.702(d)(2) of our rules should we remove the CPE bundling restriction.

18. In the *Interexchange NPRM* we also asked parties to comment on whether we should require interexchange carriers offering packages of CPE and interstate, domestic, interexchange services to continue to offer separately unbundled, interstate, domestic, interexchange services. We seek further comment on this issue. In particular, we seek further comment on whether this ''unbundled option'' requirement would benefit consumers by ensuring that those consumers that do not wish to purchase carrier-provided CPE may obtain transmission services only. For example, as U S West notes, the Commission allows bundling of cellular CPE and cellular service, provided that the cellular service is also offered separately. We also seek comment on whether any additional safeguards are necessary to protect consumers and how any such safeguards should be structured. We seek further comment on CERC's proposal that the Commission should require carriers that offer packages of CPE and interexchange services to state separately the charges for CPE and

service in both advertising materials and bills, even when the bundled service is being sold at a single price. We also seek comment on CERC's further suggestion that the Commission permit the customer to obtain the service separately at a price which, when added to the CPE price, does not exceed the price for obtaining CPE and the telecommunications service jointly. Parties should address whether adopting this proposal would undermine the benefits to consumers of allowing package discounts for bundles of CPE and interstate, domestic, interexchange services.

19. In a related vein, we sought comment in the *Interexchange NPRM* on whether the U.S. Government's obligations under the General Agreement on Trade in Services (GATS) to ensure that ''service suppliers'' are permitted ''to purchase or lease and attach terminal or other equipment which interfaces with the [public telecommunications transport] network and which is necessary to supply [their] services'' implies that interexchange carriers should be required to offer separately unbundled, interstate, domestic, interexchange services on a nondiscriminatory basis if they are permitted to bundle CPE with the provision of such services. We seek further comment on whether amending the unbundling rule is consistent with U.S. international obligations under both the GATS and the North American Free Trade Agreement (NAFTA), and whether such obligations require that interexchange carriers bundling CPE and interstate, domestic, interexchange services also continue to offer such services separately and unbundled from CPE.

20. We also seek comment on whether eliminating the prohibition against bundling CPE with interstate, domestic, interexchange services offered by nondominant interexchange carriers would adversely affect competition in the international market. The impact on the international market may arise because many carriers currently offer bundled interstate, domestic, interexchange, and international services. Nondominant interexchange carriers would thus be able to offer packages that include CPE, international services, and interstate, domestic, interexchange services. We therefore seek comment on whether there are any anticompetitive effects of allowing nondominant interexchange carriers to bundle CPE with interstate, domestic, interexchange services, when such services, in turn, are packaged with international services. Parties should address whether any anticompetitive effects they identify should preclude a nondominant interexchange carrier from bundling CPE with interstate, domestic, interexchange services, when such services, in turn, are packaged with international services. Parties should also address whether there are any safeguards to prevent anticompetitive conduct that are less restrictive than prohibiting such bundles.

21. Furthermore, the *Interexchange NPRM* sought comment on whether and how the entry of incumbent local exchange carriers (LECs), including the Bell Operating Companies (BOCs), into the market for interstate, domestic, interexchange services should affect our analysis. After the *Interexchange NPRM* was issued, the Commission, in the *LEC Classification Order,* 62 FR 35974, July 3, 1997, classified the BOCs' section 272 affiliates as nondominant in the provision of in-region, interstate, interLATA services. The Commission also classified the BOCs and their affiliates as non-dominant in the provision of out-of-region interstate, domestic, interexchange services. The Commission concluded that the requirements established by, and the rules implemented pursuant to, sections 271 and 272 of the Act, together with other existing Commission rules, sufficiently limit the ability of a BOC and its section 272 affiliate to use the BOC's market power in the local exchange or exchange access markets to raise and sustain prices of interstate, interLATA services above competitive levels. In addition, the Commission classified independent incumbent LECs and their affiliates as nondominant in the provision of interstate, interexchange services. The Commission further required these independent LECs to provide in-region, interexchange services through separate affiliates that satisfy the requirements established in the *Competitive Carrier Fifth Report and Order,* 49 FR 34824, September 4, 1984, but did not require such separation in order to be classified as nondominant in the provision of out-of-region interstate, interexchange services.

22. Based on the safeguards imposed by the Act and the Commission's rules thereunder, we tentatively conclude that, to the extent the BOCs and their section 272 affiliates, as well as independent LECs and their affiliates, are classified as nondominant in the provision of interstate, domestic, interexchange services, these carriers may bundle CPE with such services to the same extent as other nondominant interexchange carriers. We seek comment on this tentative conclusion.

23. We also seek comment on whether there are any anticompetitive effects of allowing any nondominant interexchange carrier to bundle CPE with interstate, domestic, interexchange services, when such services, in turn, are packaged with local exchange services. Parties should address whether any anticompetitive effects they identify should preclude a nondominant interexchange carrier from bundling CPE with interstate, domestic, interexchange services, when such services, in turn, are packaged with local exchange services. Parties should also address whether there are any safeguards to prevent anticompetitive conduct that are less restrictive than prohibiting such bundles.

24. Furthermore, we seek comment on the broader question raised by SBC in previous comments in this proceeding of whether to continue the prohibition on bundling interstate CPE with local exchange or exchange access services. We recognize that nondominant interexchange carriers are entering the local exchange and exchange access markets. As they do so, they may be able to offer local exchange and exchange access services in conjunction with the bundled offering of CPE and interstate, domestic, interexchange services. Nondominant interexchange carriers may thus be able to offer a package that includes CPE, local exchange services, and interstate, domestic, interexchange services. SBC argues that local exchange carriers would be at a disadvantage, because they would be unable to offer packages that included CPE. In this Further NPRM, we seek comment on the issues raised by SBC as to whether to allow bundling of CPE with local exchange and exchange access services.

25. We note that the basis for the Commission's tentative conclusion in the *Interexchange NPRM* to allow nondominant interexchange carriers to bundle CPE with interstate, domestic, interexchange services is that both the CPE and interstate, domestic, interexchange markets are substantially competitive and that nondominant interexchange carriers do not possess market power in the interstate, interexchange market. Thus, the Commission tentatively concluded in the *Interexchange NPRM* that allowing such carriers to bundle CPE with interstate, domestic, interexchange services is unlikely to lead to the anticompetitive conduct that led the Commission to prohibit the bundling of CPE with telecommunications services.

26. We seek comment on whether a similar analysis should be adopted in assessing whether to allow the bundling of CPE with local exchange and

exchange access services. The analysis, as noted, contains two parts. The first part of the analysis focuses on the nature of the component markets. We seek comment on whether the differences in the structures of and the market conditions in the local exchange, exchange access, and interexchange markets warrant continued applicability of the CPE bundling restrictions to local exchange and exchange access markets. The second part of the analysis in the *Interexchange NPRM* concludes that allowing nondominant interexchange carriers to bundle CPE and interstate, domestic, interexchange services would be unlikely to lead to anticompetitive conduct, because such carriers do not have market power. We seek comment on whether there are carriers in the local exchange or exchange access markets that would similarly not raise anticompetitive concerns if allowed to bundle CPE with local exchange and exchange access services. In this regard, parties should address what role market power should play in the analysis and whether carriers that do not possess market power in the local exchange and exchange access markets would be able to engage in the anticompetitive conduct which led the Commission to prohibit such bundling. Parties should also address whether lifting the CPE bundling restrictions on only certain categories of carriers in the local exchange and exchange access markets would promote competition and the provision of innovative services and packages, thereby benefiting consumers.

27. Finally, we seek comment on the jurisdictional issues that may arise if we allow bundling of CPE and local exchange services. We note that, although the Commission has deregulated CPE, the Commission has the authority, under Title I of the Communications Act, to regulate CPE that is used for both interstate and intrastate communications and to preempt inconsistent regulation on the part of the states. States have the authority to regulate the provision of local exchange services. As discussed above, an issue regarding the regulation of CPE may arise if CPE, which was deregulated by the Commission, is bundled or packaged with a regulated service. Moreover, jurisdictional questions may arise if CPE is bundled with local exchange services, because states have the authority to regulate local exchange services, while the Commission has the authority to regulate CPE. We therefore seek comment on what, if any, impact allowing the bundling or packaging of CPE with local exchange service may have on the states' regulation of local exchange service or on the Commission's regulation of CPE. We note that similar jurisdictional issues may arise with bundles or packages of interexchange and local exchange services, although we do not consider such jurisdictional issues in this proceeding.

B. Enhanced Services

28. In the *Computer II* proceeding, the Commission adopted a regulatory scheme that distinguished between the common carrier offering of basic transmission services and the offering of enhanced services. The Commission defined a ''basic transmission service'' as the common carrier offering of ''pure transmission capability'' for the movement of information ''over a communications path that is virtually transparent in terms of its interaction with customer-supplied information.'' The Commission further stated that a basic transmission service should be limited to the offering of transmission capacity between two or more points suitable for a user's transmission needs. The common carrier offering of basic services is regulated under Title II of the Communications Act. In contrast, the Commission defined enhanced services as:

> services, offered over common carrier transmission facilities used in interstate communications, which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information.

Enhanced services are not regulated under Title II of the Communications Act.

29. We note that the 1996 Act does not utilize the Commission's basic/enhanced terminology, but instead refers to ''telecommunications services'' and ''information services.'' We concluded in the *Non-Accounting Safeguards Order*, 62 FR 2927, January 21, 1997, that, although the text of the Commission's definition of ''enhanced services'' differs from the 1996 Act's definition of ''information services,'' the two terms should be interpreted to extend to the same functions. We recently issued a report reviewing the Commission's interpretation of the terms ''telecommunications services'' and ''information services.'' In that report, we concluded that, in the 1996 Act, Congress intended these terms to refer to distinct categories of services and that Congress sought ''to maintain the *Computer II* framework'' and the basic/enhanced distinction in its definition of ''telecommunications services'' and ''information services.'' To avoid confusion in this Further NPRM, we will continue to use the terms ''basic services'' and ''enhanced services'' to refer to the restrictions adopted in the *Computer II* proceeding.

30. In the *Computer II* proceeding, the Commission required common carriers that own transmission facilities and provide enhanced services to ''acquire transmission capacity pursuant to the same prices, terms, and conditions reflected in their tariffs when their own facilities are utilized.'' This requirement has been interpreted in decisions since *Computer II* to mean that ''carriers that own common carrier transmission facilities and provide enhanced services must unbundle basic from enhanced services and offer transmission capacity to other enhanced service providers under the same tariffed terms and conditions under which they provide such services to their own enhanced service operations.''

31. Although the Commission did not specifically seek comment in the *Interexchange NPRM* on the restriction against bundling of enhanced and basic telecommunications services, AT&T urged the Commission, in its comments, to issue a further notice of proposed rulemaking on this issue. Specifically, AT&T proposes that the Commission eliminate the prohibition on bundled packages of enhanced services and interstate, interexchange services offered by nondominant interexchange carriers. The Commission declined in the *Interexchange Second Report and Order*, 61 FR 59340, November 22, 1996, to determine whether it should eliminate the CPE unbundling rule because it found, in part, that AT&T's request presented issues similar to those raised in the *Interexchange NPRM* relating to bundling of CPE with interstate, domestic, interexchange services by nondominant interexchange carriers. The Commission found in the *Interexchange Second Report and Order* that it did not have a sufficient record to address AT&T's proposal to remove the restriction on bundling enhanced services with interstate, domestic, interexchange services.

32. We thus seek comment in this Further NPRM on whether we should remove the restrictions on the bundling of enhanced services with interstate, domestic, interexchange services offered by nondominant interexchange carriers. We also seek comment on whether the restrictions against bundling enhanced services with interstate, domestic, interexchange services offered by nondominant interexchange carriers is

no longer necessary in the public interest.

33. As we noted above, the Commission found that BOC section 272 affiliates would be classified as nondominant interexchange carriers. We note that, in the *Non-Accounting Safeguards Order*, the Commission allowed the BOCs' section 272 affiliates to bundle interLATA telecommunications service with interLATA information services, as long as the affiliate provided interLATA telecommunications services on a resale basis. The Commission noted that if ''a BOC's section 272 affiliate were classified as a facilities-based telecommunications carrier (*i.e.*, it did not provide interLATA telecommunications services solely through resale), the affiliate would be subject to a *Computer II* obligation to unbundle and tariff the underlying telecommunications services used to furnish any bundled service offering.'' In its discussion of this issue in the *Non-Accounting Safeguards Order*, the Commission noted that the market for interLATA information services ''is fully competitive'' and the market for interLATA telecommunications services is ''substantially competitive.'' Because of these market conditions, the Commission stated that there was ''no basis for concern that a section 272 affiliate providing an information service bundled with an interLATA telecommunications service would be able to exercise market power.'' We seek comment on the effect on this proceeding of the decision in the *Non-Accounting Safeguards Order* to permit BOC section 272 affiliates that provide interLATA telecommunications services solely on a resale basis to bundle such telecommunications services and interLATA information services. Specifically, we seek comment on whether the enhanced services market and the interstate, domestic, interexchange services market are sufficiently competitive so that it is unlikely that nondominant interexchange carriers could engage in anticompetitive behavior should the Commission eliminate the restrictions on bundling of enhanced services with interstate, domestic, interexchange services. Commenters should provide empirical data on the level of competition in the interexchange and enhanced services markets to support their comments on these issues. We also seek comment on whether, as claimed by ITAA, AT&T or any other nondominant interexchange carriers have the ability, to discriminate in favor of their own enhanced service offerings.

34. Commenters should also address AT&T's assertion that the rationale underlying the elimination of the CPE bundling restriction applies with equal force to the enhanced services bundling restriction, and therefore, that the Commission must lift the restriction on bundling enhanced services with interexchange services if the CPE bundling restriction is lifted. Commenters should explain how the similarities or differences between the CPE and enhanced services markets should affect our analysis. Commenters should address not only whether the issues raised in the CPE discussion above apply to the proposal to remove the enhanced services bundling restriction, but also whether additional issues are raised. Commenters should also discuss whether any transition mechanisms or safeguards, such as those discussed with respect to modifying the CPE unbundling rule, would be necessary or sufficient to protect against anticompetitive behavior if the Commission were to permit interexchange carriers to bundle enhanced services with interstate, domestic, interexchange services.

35. As in the CPE bundling discussion above, we also seek comment on whether there are any anticompetitive effects of allowing nondominant interexchange carriers to bundle enhanced services with interstate, domestic, interexchange services, when such services, in turn, are packaged with international services.

36. We seek comment on whether there are any anticompetitive effects of allowing nondominant interexchange carriers to bundle, or provide discounts on packages of, enhanced services and interstate, domestic, interexchange services, when such services, in turn, are packaged with local exchange services. Parties should further address whether any effects they identify should preclude a nondominant interexchange carrier from bundling, or offering discounts on packages of, enhanced services and interstate, domestic, interexchange services, when such services, in turn, are packaged with local exchange services. Parties should also address whether there are any safeguards to prevent anticompetitive conduct that are less restrictive than prohibiting such bundles.

37. In addition, as in the CPE discussion above, we seek comment on the broader question of whether to amend the enhanced services bundling restriction to allow any carrier to bundle enhanced services with local exchange and exchange access services. Commenters should address not only whether the issues raised in the CPE discussion above apply to the elimination of the enhanced services bundling restriction, but also whether additional issues are raised. We note, as discussed below, that we consider in this Further NPRM only those services that are within the scope of the Commission's recognized jurisdiction. We recognize that states have authority to regulate local exchange services and enhanced services that are offered purely on an intrastate basis. Thus, in this Further NPRM, we do not consider the bundling of local exchange services and purely intrastate enhanced services.

38. As noted above, the basis for the Commission's tentative conclusion in the *Interexchange NPRM* to allow nondominant interexchange carriers to bundle CPE with interstate, domestic, interexchange services is that both the CPE and interstate, domestic, interexchange markets are substantially competitive and that nondominant interexchange carriers do not possess market power in the interstate, interexchange market. We seek comment on whether a similar analysis should be adopted in assessing whether to allow the bundling of enhanced services with local exchange and exchange access services. We also seek comment on whether the differences in the structures of and the market conditions in the local exchange, exchange access, and interexchange markets warrant continued applicability of the enhanced services bundling restrictions to the local exchange and exchange access markets. We further seek comment on whether there are carriers in the local exchange or exchange access markets that would not raise anticompetitive concerns if allowed to bundle enhanced services with local exchange and exchange access services. In this regard, parties should address what role market power should play in the analysis and whether carriers that do not possess market power in the local exchange and exchange access markets would be able to engage in the anticompetitive conduct which led the Commission to prohibit such bundling. Parties should also address whether lifting the enhanced services bundling restrictions on only certain categories of carriers in the local exchange and exchange access markets would promote competition and the provision of innovative services and packages, thereby benefitting consumers. In addition, as in the CPE discussion above, we seek comment on what, if any, impact allowing the bundling of enhanced services with local exchange service may have on the states' regulation of local exchange

service and intrastate enhanced services, or on the Commission's regulation of enhanced services.

39. We note that the Commission has authority to regulate interstate enhanced services. We also have authority to regulate jurisdictionally mixed enhanced services where it is ''not possible to separate the interstate and intrastate components'' and to preempt inconsistent regulations on the part of the states for the intrastate portion of those services where ''state regulations would negate valid FCC regulatory goals.'' Thus, we tentatively conclude that the questions upon which we seek comment in this Further NPRM fall within the scope of our authority.

IV. Procedural Matters

A. Ex Parte Presentations

40. This matter shall be treated as a ''permit-but-disclose'' proceeding in accordance with the Commission's revised *ex parte* rules, which became effective June 2, 1997. Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentations must contain summaries of the substance of the presentations and not merely a listing of the subjects discussed. More than a one or two sentence description of the views and arguments presented is generally required. Other rules pertaining to oral and written presentations are set forth in Section 1.1206(b) as well.

B. Initial Regulatory Flexibility Act Analysis

41. Pursuant to the Regulatory Flexibility Act (RFA), the Commission has prepared the following Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities of the policies and rules in this Further NPRM of Proposed Rulemaking (Further NPRM). Written public comments are requested on the IRFA. These comments must be filed in accordance with the same filing deadlines as comments on the rest of the Further NPRM, and should have a separate and distinct heading designating them as responses to the IRFA.

42. *Need for and Objectives of the Proposed Rules.* The Commission is issuing this Further NPRM to review our regulatory framework for interstate, domestic, interexchange telecommunications services with regard to the bundling of customer premises equipment (CPE) and enhanced services. The Commission seeks comment on amending the Commission's rules and regulations restricting the bundling of CPE and enhanced services, respectively, with interexchange services, in our continuing effort to establish a pro-competitive, de-regulatory national policy framework. The Commission also seeks comment on the impact that amending these rules and regulations may have on the local market and on local exchange carriers, and whether the Commission should amend these rules and regulations for carriers in the local exchange or exchange access markets.

43. *Legal Basis.* The proposed action is authorized under sections 1, 2, 4, 10, 11 201–205, 215, 218, 220, 303 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154, 160, 161, 201–205, 215, 218, 220, 303.

44. *Description and Estimate of the Number of Small Entities To Which the Proposed Rules Will Apply.* Under the RFA, small entities include small organizations, small businesses, and small governmental jurisdictions. 5 U.S.C. 601(6). The RFA generally defines the term ''small business'' as having the same meaning as the term ''small business concern'' under the Small Business Act, 15 U.S.C. 632. A small business concern is one that: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) meets any additional criteria established by the Small Business Administration (SBA). SBA has defined a small business for Standard Industrial Classification (SIC) category 4813 (Telephone Communications, Except Radiotelephone) to be a small entity when it has no more than 1,500 employees.

45. In this IRFA, we consider the potential impact of this Further NPRM on three categories of entities, ''small interexchange carriers,'' ''small incumbent LECs,'' and ''small non-incumbent LECs.'' Consistent with our prior practice, we shall continue to exclude small incumbent LECs from the definition of a small entity for the purpose of this IRFA. Accordingly, our use of the terms ''small entities'' and ''small businesses'' does not encompass ''small incumbent LECs.'' Out of an abundance of caution, however, for regulatory flexibility analysis purposes, we will separately consider small incumbent LECs within this analysis and use the term ''small incumbent LECs'' to refer to any incumbent LECs that arguably might be defined by SBA as ''small business concerns.'' Finally, we note that our analysis below includes the description of those small entities that might be directly affected by this Further NPRM. We also recognize, however, that this Further NPRM may have an indirect effect on small CPE and enhanced services providers.

46. *Interexchange Carriers.* The proposals in this Further NPRM would affect all interexchange carriers that meet the definition of a ''small business concern.'' Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to providers of interstate, domestic, interexchange services. The SBA, however, has defined small businesses for Standard Industrial Classification (SIC) category 4813 (Telephone Communications, Except Radiotelephone) to be small entities when they have no more than 1,500 employees. According to our most recent data, 143 companies are engaged in the provision of interexchange services. Several of these carriers have more than 1,500 employees, and it seems certain that some of these carriers are not independently owned and operated. Because we cannot estimate with greater precision the number of interexchange carriers that would qualify as small business concerns under the SBA definition, we estimate that there are fewer than 143 small entity interexchange carriers that may be affected by the proposed decisions in this Further NPRM. We seek comment on this estimate.

47. *Incumbent LECs.* SBA has not developed a definition of small incumbent LECs. The closest applicable definition under SBA rules is for telephone communications companies other than radiotelephone (wireless) companies. The most reliable source of information regarding the number of LECs nationwide of which we are aware appears to be the data that we collect annually in connection with the Telecommunications Relay Service (TRS). According to our most recent data, 1,371 companies reported that they were engaged in the provision of local exchange services. Although it seems certain that some of these carriers are not independently owned and operated, or have more than 1,500 employees, we are unable at this time to estimate with greater precision the number of LECs that would qualify as small business concerns under SBA's definition. Consequently, we estimate that there are fewer than 1,371 small incumbent LECs that may be affected by the decisions and regulations adopted in this Further NPRM. We seek comment on this estimate.

48. *Non-Incumbent LECs.* SBA has not developed a definition of small non-incumbent LECs. For purposes of this Further NPRM, we define the category of ''small non-incumbent LECs'' to include small entities providing local

exchange services which do not fall within the statutory definition in section 251(h), including potential LECs, LECs which have entered the market since the 1996 Act was passed, and LECs which were not members of the exchange carrier association pursuant to § 69.601(b) of the Commission's regulations. We believe it is impracticable to estimate the number of small entities in this category. We are unaware of any data on the number of LECs which have entered the market since the 1996 Act was passed, and we believe it is impossible to estimate the number of entities which may enter the local exchange market in the near future. Nonetheless, we will estimate the number of small entities in a subgroup of the category of ''small non-incumbent LECs.'' According to our most recent data, 109 companies identify themselves in the category ''Competitive Access Providers (CAPs) & Competitive LECs (CLECs).'' A CLEC is a provider of local exchange services which does not fall within the definition of ''incumbent LEC'' in section 251(h). Although it seems certain that some of the carriers in this category are CAPs, are not independently owned and operated, or have more than 1,500 employees, we are unable at this time to estimate with greater precision the number of non-incumbent LECs that would qualify as small business concerns under SBA's definition. We seek comment on this estimate.

49. *Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements.* The Further NPRM does not place any reporting, record keeping, or other compliance requirements on small interexchange carriers or on small local exchange carriers. The Further NPRM does seek comment on what, if any, safeguards are necessary to guard against potential competitive abuses by interexchange carriers, or local exchange carriers, should the Commission amend its rules restricting bundling of CPE and enhanced services. If any such safeguards are adopted, they may have an impact on interexchange carriers and local exchange carriers that qualify as small business concerns.

50. *Steps Taken to Minimize Any Significant Economic Impact on Small Entities, and Significant Alternatives Considered.* As mentioned above, the Commission believes that our proposed rules may have a significant economic impact on interexchange carriers and local exchange carriers insofar as they are small businesses. The rules we propose in this Further NPRM are designed to have a positive impact on interexchange carriers, including small interexchange carriers, and local exchange carriers, including small local exchange carriers, because such rules would remove restrictions from their operations. Such carriers would then be able to create and offer service and equipment packages that, under the current rules, cannot be bundled and offered. We seek comment on these tentative determinations, and on additional actions we might take in this regard to relieve burdens on small interexchange and local exchange carriers.

51. *Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules.* The Commission is proposing to amend § 64.702(e) of the Commission's Rules, 47 CFR 64.702(e), as well as the Commission's rules and regulations that restrict the bundling of CPE and enhanced services, respectively, with interexchange services. The Commission is also seeking comment on the impact that amending these rules and regulations may have on the local market and on local exchange carriers, and whether the Commission should amend these rules and regulations for carriers in the local exchange or exchange access markets. We are aware of no rules that may duplicate, overlap, or conflict with the proposed rules. We seek comment on this conclusion.

C. Comment Filing Procedures

52. Pursuant to applicable procedures set forth in §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments on or before November 23, 1998 and reply comments on or before December 23, 1998. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings,* 63 FR 24121, May 1, 1998. Comments filed through the ECFS can be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket or rulemaking number, which in this instance is CC Docket No. 96–61. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, ''get form <your e-mail address.'' A sample form and directions will be sent in reply.

53. Parties who choose to file by paper must file an original and four copies of each filing. All filings must be sent to the Commission's Secretary, Magalie Roman Salas, Office of the Secretary, Federal Communications Commission, 1919 M St. NW, Room 222, Washington, DC 20554.

54. Parties who choose to file by paper should also submit their comments on diskette. These diskettes should be submitted to Janice Myles, Common Carrier Bureau, Policy and Program Planning Division, 1919 M Street, NW, Room 544, Washington, DC 20554. Such a submission should be on a 3.5 inch diskette formatted in an IBM compatible format using WordPerfect 5.1 for Windows or compatible software. The diskette should be accompanied by a cover letter and should be submitted in ''read only'' mode. The diskette should be clearly labelled with the commenter's name, proceeding (including the docket number), type of pleading (comment or reply comment), date of submission, and the name of the electronic file on the diskette. The label should also include the following phrase ''Disk Copy—Not an Original.'' Each diskette should contain only one party's pleadings, preferably in a single electronic file. In addition, commenters must send diskette copies to the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, NW, Washington, DC 20037.

55. Regardless of whether parties choose to file electronically or by paper, parties should also file one copy of any documents filed in this docket with the Commission's copy contractor, International Transcription Services, Inc., 1231 20th Street, NW, Washington, DC 20036. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center, 1919 M Street, NW, Room 239, Washington, DC 20554.

56. Comments and reply comments must include a short and concise summary of the substantive arguments raised in the pleading. Comments and reply comments must also comply with § 1.49 and all other applicable sections of the Commission's rules. We also direct all interested parties to include the name of the filing party and the date of the filing on each page of their comments and reply comments. All parties are encouraged to utilize a table of contents, regardless of the length of their submission.

V. Ordering Clauses

57. Accordingly, it is ordered that pursuant to sections 1, 2, 4, 10, 11, 201–

205, 215, 218, 220, and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154, 160, 161, 201–205, 215, 218, 220, and 303(r), a further Notice of Proposed Rulemaking is adopted.

58. It is further ordered that the Commission's Office of Public Affairs, Reference Operations Division, shall send a copy of this Further Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration, in accordance with the Regulatory Flexibility Act.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 98–28477 Filed 10–22–98; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 32 and 43

[CC Docket No. 98–137; FCC 98–170]

Prescription of Interstate Depreciation Rates

AGENCY: Federal Communications Commission.

ACTION: Proposed rule, request for comments.

SUMMARY: In this document, the Commission proposes to reduce or streamline further its depreciation prescription process by permitting summary filings and eliminating the prescription of depreciation rates for incumbent LECs, provided that the carrier uses depreciation factors that are within the ranges adopted by the Commission, expanding the prescribed range for the digital switching plant account, and eliminating salvage from the depreciation process. It also seeks comment on whether the Commission should permit carriers to set their own depreciation rates if they are willing to waive the automatic low-end adjustment. These proposed modifications are designed to minimize the reporting burden on carriers and to provide incumbent LECs with a greater flexibility to adjust their depreciation rates while allowing the Commission to maintain adequate oversight. This NPRM seeks comment on whether the current procedures for protecting confidential information, are adequate or whether additional safeguards need to be adopted to protect information that carriers regard as confidential. The Commission invites commenters to submit information on the costs and benefits of the rules at issue in this proceeding and of its proposed modifications.

DATES: Comments are due on or before November 23, 1998 and reply comments are due on or before December 8, 1998. Written comments by the public on the modified information collections are due on or before November 23, 1998. Written comments must be submitted by the Office of Management and Budget (OMB) on the modified information collections on or before December 22, 1998.

ADDRESSES: One original and six copies of all comments and reply comments should be sent to the Commission's Secretary, Magalie Roman Salas, Office of the Secretary, Federal Communications Commission, 1919 M Street, N.W., Room 222, Washington, D.C. 20554. All filings should refer to 1998 Biennial Regulatory Review—Review of Depreciation Requirements for Incumbent Local Exchange Carriers, CC Docket No. 98–137, and FCC 98–170. Parties also may file comments electronically via the Internet at: <http://www.fcc.gov/e-file/ecfs.html>. Only one copy of an electronic submission must be submitted. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the docket number for this proceeding, which is CC Docket No. 98–137. Parties not submitting their comments via the Internet are also asked to submit their comments on diskette. Parties submitting diskettes should submit them to Ernestine Creech, Accounting Safeguards Division, 2000 L Street, N.W., Room 257, Washington, D.C. 20554. Such a submission should be on a 3.5 inch diskette formatted in an IBM compatible format using WordPerfect 5.1 for Windows or compatible software. The diskette should be accompanied by a cover letter and should be submitted in ''read only'' mode. The diskette should be clearly labelled with the party's name, proceeding (including the docket number in this case, CC Docket No. 98–137), type of pleading (comment or reply comment), date of submission, and the name of the electronic file on the diskette. Each diskette should contain only one party's pleadings, preferably in a single electronic file. In addition, parties must send copies to the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, N.W., Washington, D.C. 20037. In addition to filing comments with the Secretary, a copy of any comments on the information collections contained herein should be submitted to Judy Boley, Federal Communications Commission, Room 234, 1919 M Street, N.W., Washington, DC 20554, or via the Internet to jboley@fcc.gov, and to Timothy Fain, OMB Desk Officer, 10236 NEOB, 725—17th Street, N.W., Washington, DC 20503 or via the Internet to fain__t@al.eop.gov.

FOR FURTHER INFORMATION CONTACT: Thomas G. David, Attorney, Common Carrier Bureau, Accounting Safeguards Division, (202) 418–7116, or via the Internet at tdavid@fcc.gov, or Wade Herriman, Common Carrier Bureau, Accounting Safeguards Division, (202) 418–0862. For additional information concerning the information collections contained in this NPRM contact Judy Boley at (202) 418–0214, or via the Internet at jboley@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's document released on October 14, 1998. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room 239, 1919 M Street, N.W., Washington, D.C. 20554. An electronic copy of the document also may be found on the Commission's Web Page at <www.fcc.gov/ccb/XXXXXXX.pdf>.

Paperwork Reduction Act

This NPRM contains a modified information collection. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collections contained in this NPRM, as required by the Paperwork Reduction Act of 1995, Public Law 104–13. Public and agency comments are due at the same time as other comments on this NPRM; OMB notification of action is due December 22, 1998. Comments should address: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

OMB Approval Number: 3060–0168.

Title: Reports of Proposed changes in Depreciation Rates—Section 43.43.

Type of Review: Proposed Revision of Existing Collection.