

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

DA 95-143

In the Matter of)
)
Revision of ARMIS USOA Report)
(FCC Report 43-02) and ARMIS Joint) AAD 94-113
Cost Report (FCC Report 43-03))
for Tier 1 Telephone Companies)

ORDER

Adopted: February 2, 1995 Released: February 2, 1995

By the Chief, Accounting and Audits Division:

I. INTRODUCTION AND BACKGROUND

1. By this Order, we adopt minor revisions to two Automated Reporting Management Information System (ARMIS) Reports: FCC Report 43-02 (the USOA Report) and FCC Report 43-03 (the Joint Cost Report). These changes are in response to industry suggestions and to staff analyses of previously filed reports. The revisions to the USOA Report: 1) increase the number of rows for reporting data for certain accounts in Table I-7, Donations or Payments for Services Rendered by Persons Other Than Employees; 2) add three new tax accounts to Table B-1, Balance Sheet Accounts; and 3) make a number of additional content and format revisions. The revisions to the Joint Cost Report: delete the "N/A" in all columns for Account 5230, Directory revenues, to allow carriers to report nonregulated revenues.

2. The USOA Report provides the annual operating results of the carriers' activities for every account in Part 32, Uniform System of Accounts for Telecommunications Companies ("USOA").¹ The Joint Cost Report provides the annual revenue requirement and joint cost data by study area pursuant to Section 64.901, Allocation of Costs.² Both reports are filed annually by all local exchange carriers (LECs) earning \$100 million or more in annual revenues during the reporting year.³

¹ 47 C.F.R. Part 32

² 47 C.F.R. § 64.901.

³ Automated Reporting Requirements for Certain Class A and Tier 1 Telephone Companies (Part 31, 43, 67 and 69 of the FCC's Rules), 2 FCC Rcd 6283 (1987) (ARMIS ORDER), modified on recon., 3 FCC Rcd 6375 (1988) (ARMIS Reconsideration Order).

II. DISCUSSION

3. Appendix A contains a summary of the changes that are being required to the USOA Report and the Joint Cost Report. Appendices B1 through B4 to this Order contain the revisions to the USOA Report. Three rows have been added to Table B-1 to incorporate the new tax accounts that have been added to the USOA by the Commission.⁴

4. Appendices C1 through C4 contain the revisions to the Joint Cost Report. These revisions require carriers to report directory revenue associated with nonregulated activities. Appendix D contains the updated list of Company and Study Area (COA) Codes.

5. The action contained herein has been analyzed with respect to the Paperwork Reduction Act ("ACT") of 1980 and found to impose a new or modified information collection requirement on the public. Implementation of any new or modified requirement is subject to approval by the Office of Management and Budget as prescribed by the Act. The modified filing requirements contained herein are being given to the Office of Management and Budget for approval.

6. The attached revisions to the USOA Report and to the Joint Cost report are adopted pursuant to authority delegated to the Common Carrier Bureau in paragraph 58 of the ARMIS Order and Section 0.291 of the Commission's Rules. Because the changes to the ARMIS reporting requirements are minor and implement accounting and other changes required by the Commission, notice and comment on the modifications to the reporting requirements contained herein are not necessary. Accordingly, compliance with notice and comment procedures of the Administrative Procedure Act is unnecessary. See U.S.C. § 553(b).

⁴ Amendment of Part 32 of the Commission's Rules to Implement Statement of Financial Accounting Standards No. 96, Accounting for Income Taxes, 9 FCC Rcd 727 (1994). The Commission established three new tax accounts: Account 1437, Deferred Tax Regulatory Asset; Account 4341, Net Deferred Tax Liability Adjustments and Account 4361; Deferred Tax Regulatory Liability.

III. ORDERING CLAUSE

7. Accordingly, IT IS ORDERED, pursuant to the authority contained in Sections 1, 4(i), 4(j), 201-205, 215, 219, and 220 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 154(j), 201-205, 215, 219, and 220, and Section 0.291 of the Commissions' rules, 47 C.F.R. § 0.291, that the ARMIS USOA Report (FCC Report 43-02) and the ARMIS Joint Cost Report (FCC Report 43-03), ARE REVISED, as set forth above and in the Appendices to this Order, effective for filings due April 1, 1995 and in the absence of modification, thereafter.

FEDERAL COMMUNICATIONS COMMISSION

Kenneth P. Moran
Chief, Accounting and Audits Division