

provisions) for the purposes of section 113 of the Clean Air Act and shall be enforceable by EPA and by any person in the same manner as other requirements of the SIP.

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## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 36

[WC Docket No. 14-130, CC Docket No. 80-286; FCC 18-141]

### Comprehensive Review of the Uniform System of Accounts; Jurisdictional Separations and Referral to the Federal-State Joint Board

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** In this document, the Commission simplifies its jurisdictional separations rules, applying the separations processes previously reserved for smaller carriers to all carriers subject to those rules, and harmonizing the jurisdictional separations rules with the accounting rules. With this action, the Commission continues to modernize existing rules and eliminate outdated compliance requirements.

**DATES:** *Effective date:* January 1, 2019.

**FOR FURTHER INFORMATION CONTACT:**

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**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Report and Order, WC Docket No. 14-130, CC Docket No. 80-286; FCC 18-141, adopted on October 16, 2018, and released on October 17, 2018. A full-text version of this document can be obtained at the following internet address: <https://www.fcc.gov/document/fcc-harmonizes-separations-rules-revised-accounting-rules>.

## Synopsis

### I. Introduction

1. In this Report and Order (Order), the Commission simplifies its part 36 jurisdictional separations rules to allow all carriers to use the simpler jurisdictional separations processes previously reserved for smaller carriers. In so doing, the Commission harmonizes its part 36 rules with the Commission's previous amendments to its part 32 accounting rules. The

amendments the Commission adopts today to its part 36 rules further its goal of updating and modernizing its rules to eliminate outdated compliance burdens on carriers so that they can focus their resources on building modern networks that bring economic opportunity, job creation, and civic engagement to all Americans.

### II. Background

2. Jurisdictional separations is the third step in a four-step regulatory process. First, a rate-of-return carrier records its costs and revenues in various accounts using the Uniform System of Accounts (USOA) prescribed by the Commission's part 32 rules. Second, the carrier divides the costs and revenues in these accounts between regulated and nonregulated activities in accordance with part 64 of the Commission's rules, a step that helps ensure that the costs of nonregulated activities will not be recovered through regulated interstate rates. Third, the carrier separates the regulated costs and revenues between the intrastate and interstate jurisdictions using the part 36 rules. Finally, the carrier apportions the interstate regulated costs among the interexchange services and rate elements that form the cost basis for its exchange access tariff. Carriers subject to rate-of-return regulation perform this apportionment in accordance with the Commission's part 69 rules.

3. Historically, the part 32 rules divided incumbent local exchange carriers (LECs) into two classes for accounting purposes based on the amounts of their annual regulated revenues. Class A incumbent LECs were the larger carriers, and Class B incumbent LECs were the smaller carriers (most recently those with less than \$157 million in annual regulated revenues). The Commission's former part 32 rules required Class A carriers to create and maintain a more granular set of accounts than it required of the smaller Class B carriers. In all but one case, Class A carrier accounts could be grouped into sets that were represented by single Class B carrier accounts—that is, such Class A accounts consolidated into, or “rolled up” into, Class B accounts.

4. In the *Part 32 Reform Order*, 82 FR 20833, May 4, 2017, the Commission eliminated the historical distinction between Class A and Class B incumbent LECs in the part 32 rules. Now all carriers subject to part 32 are required to keep only the less onerous accounts previously kept by Class B incumbent LECs. Recognizing that the part 32 accounting reforms had implications for the part 36 jurisdictional separations

rules, which distinguish between Class A and Class B incumbent LECs, the Commission referred to the Federal-State Joint Board on Jurisdictional Separations (Joint Board) consideration of how and when the part 36 rules should be modified to reflect the reforms adopted in the *Part 32 Reform Order*.

5. In October 2017, after seeking public comment on how best to harmonize the part 32 and part 36 rules, the Joint Board released a *Recommended Decision*. In its *Recommended Decision*, the Joint Board recommended changes to part 36 including deleting rules pertaining to Class A accounts, deleting references to Class A and B accounts, and allowing former Class A carriers to select between the former Class A and B procedures for apportioning general support facilities costs. The Joint Board also recommended that the Commission make certain stylistic and typographical corrections to the part 36 rules. The Joint Board recommended that the part 36 revisions it proposed be effective as soon as practicable after January 1, 2018, the effective date of the *Part 32 Reform Order*.

6. In February 2018, the Commission released the *Separations Harmonization NPRM*, 83 FR 10817, March 13, 2018, which proposed amendments to part 36 consistent with the *Recommended Decision*. The Commission also sought comment on the effective date for any changes to part 36 to harmonize those rules with part 32 reforms. USTelecom filed the only comment on the merits, and it supports the proposals in the *Separations Harmonization NPRM*.

### III. Discussion

7. In this Order, the Commission harmonizes its part 36 jurisdictional separations rules with the changes to the part 32 accounting rules that the Commission adopted in the *Part 32 Reform Order*. The Commission's amendments to part 36 implement the Commission's proposals in the *Separations Harmonization NPRM* to adopt, with minor exceptions, the Joint Board's recommendations and to amend the part 36 rules consistent with those recommendations. The Commission agrees with USTelecom that these rule changes do not risk undermining the primary purpose of the part 36 rules, which is to “prevent incumbent LECs from recovering the same costs in the interstate and intrastate jurisdictions,” and will instead “simplify the accounting rules by removing unnecessary burdensome regulations that require carriers and ultimately consumers to incur unnecessary costs.”

8. First, the Commission removes from its part 36 rules references to Class A accounts because carriers are no longer required to keep such accounts. As the Commission proposed, it: (a) Deletes references to Class A accounts and the phrase “Class B accounts” in part 36 rules that contain parallel references to Class A accounts and the Class B accounts into which they roll up; (b) deletes references to current-year account balances and modify references to Class A carriers in other part 36 rules; and (c) deletes references to Class A accounts in §§ 36.501 and 36.505 of the rules. As USTelecom explains, these revisions are “necessary clean-up to ensure that both rule parts [*i.e.*, parts 32 and 36] work together consistently” and further the part 32 reforms by “removing additional unnecessary and burdensome rules for carriers of all sizes.”

9. Second, the Commission amends § 36.112 to allow former Class A carriers (carriers with revenue equal to or greater than \$157 million for calendar year 2016) to select between the legacy Class A and Class B procedures in apportioning their general support facilities costs. As the Commission observed in the *Separations Harmonization NPRM*, this is the only part 36 rule that provides different separations procedures for legacy Class A and B carriers. The Commission agrees with the Joint Board that requiring all carriers to use the method previously used only by Class B carriers would “impose a compliance burden on current Class A carriers because they would have to change their well-established manner of allocating general support expense.” The Commission finds that both procedures provide reasonable methods for separating general support facilities costs and allowing legacy Class A carriers to select between these procedures will simplify compliance for carriers while having, at most, a de minimis effect on separations results. The Commission also agrees with USTelecom that it is reasonable to allow carriers the “flexibility” to “adjust their selection[s] as their business needs change” over time. Accordingly, the Commission allows legacy Class A carriers to choose between the procedures previously identified as Class A or Class B procedures in apportioning their general support facilities costs, and to adjust their selection when they chose to do so.

10. Third, consistent with the Joint Board’s recommendation and the Commission’s proposals, the Commission corrects certain stylistic and typographical errors in part 36. As USTelecom explains, these ministerial

corrections make the separations rules clearer.

11. The Commission agrees with the Joint Board that its proposed revisions to part 36 should “become effective as soon as practicable” and with USTelecom’s argument that adopting the Commission’s proposed harmonizing changes to part 36 “as soon as possible” avoids potentially “confusing” and “contradictory” rules. The Commission also agrees with USTelecom that January 1, 2019 is the earliest practicable effective date for these changes, because it corresponds with the carriers’ practices of keeping their USOA accounts on a calendar year basis and using their USOA accounting results for regulatory purposes. The Commission therefore selects January 1, 2019 as the effective date of the rule changes it is adopting.

#### IV. Procedural Matters

12. *Paperwork Reduction Act Analysis.* This document does not contain new or modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13. In addition, therefore, it does not contain any new or modified information collection burden for small business concerns with fewer than 25 employees, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198.

13. *Congressional Review Act.* The Commission will send a copy of this Report and Order to Congress and the Government Accountability Office pursuant to the Congressional Review Act, *see* 5 U.S.C. 801(a)(1)(A).

14. *Final Regulatory Flexibility Act Analysis.* The Regulatory Flexibility Act of 1980 (RFA) requires that an agency prepare a regulatory flexibility analysis for notice and comment rulemakings, unless the agency certifies that “the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.” Accordingly, the Commission has prepared a Final Regulatory Flexibility Analysis (FRFA) concerning the possible impact of the rule changes contained in the Report and Order on small entities.

#### V. Final Regulatory Flexibility Analysis

15. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission has prepared this Final Regulatory Flexibility Analysis (FRFA) on the possible significant economic impact on small entities by this Report and Order (Order). An Initial Regulatory Flexibility Analysis (IRFA) was incorporated into the Notice of Proposed Rulemaking, 83

FR 10817 (*Separations Harmonization NPRM*). The Commission sought written public comment on the proposals in the *Separations Harmonization NPRM*, including comment on the IRFA. The Commission did not receive comments on the IRFA.

#### A. Need for, and Objectives of, the Order

16. In this Report and Order (Order), the Commission amends its part 36 jurisdictional separations rules to harmonize them with the Commission’s reforms to reduce and eliminate unnecessary or outdated part 32 accounting rules. Jurisdictional separations are the third step in a four-step regulatory process used to establish tariffed rates for interstate and intrastate regulated services for incumbent local exchange carriers (LECs). Carriers first record costs into various part 32 accounts, which they then apportion into regulated and nonregulated costs pursuant to part 64, and further separate the regulated costs between intrastate and interstate jurisdictions pursuant to part 36.

17. In the *Part 32 Reform Order*, the Commission amended its part 32 Uniform System of Accounts (USOA) to streamline or eliminate unnecessary or outdated accounting rules. Recognizing that part 32 reforms implicated part 36, the Commission asked the Federal-State Joint Board on Jurisdictional Separations (Joint Board) to prepare a recommended decision regarding the extent part 36 should be modified in light of the part 32 reforms. The Joint Board released its *Recommended Decision* in October 2017. In the *Separations Harmonization NPRM*, the Commission proposed and sought comment on adoption, with certain minor exceptions, of the Joint Board’s recommendations and on amendments to part 36 consistent with those recommendations.

18. The purpose of the part 36 amendments adopted in this Order are to ensure that part 36 is consistent with the part 32 reforms adopted in the *Part 32 Reform Order*. First, this Order removes unnecessary or outdated part 36 references to part 32 accounts that were eliminated by the *Part 32 Reform Order*. Second, this Order gives carriers the flexibility to select between two procedures for apportioning their general support facilities costs. Third, this Order makes certain stylistic and typographical corrections to part 36. Finally, the part 36 amendments adopted in this Order will take effect on January 1, 2019.

### B. Summary of Significant Issues Raised by Comments in Response to the IRFA

19. There were no comments that specifically addressed the proposed rules and policies presented in the *Separations Harmonization NPRM* IRFA.

### C. Response to Comments by the Chief Counsel for Advocacy of the Small Business Administration

20. Pursuant to the Small Business Jobs Act of 2010, which amended the RFA, the Commission is required to respond to any comments filed by the Chief Counsel of the Small Business Administration (SBA), and to provide a detailed statement of any change made to the proposed rules as a result of those comments. The Chief Counsel did not file any comments in response to the proposed rules in this proceeding.

### D. Description and Estimate of the Number of Small Entities To Which Rules May Apply

21. The RFA directs agencies to provide a description of, and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules, if adopted. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.” In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act. A “small business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA). Nationwide, there are a total of approximately 27.9 million small businesses, according to the SBA.

22. *Incumbent Local Exchange Carriers*. The rules adopted in this Order affect the tariffed rates for interstate and intrastate regulated services for incumbent local exchange carriers (LECs). Neither the Commission nor the SBA has developed a small business size standard specifically for providers of incumbent local exchange services. The closest applicable size standard under the SBA rules is for Wired Telecommunications Carriers. Under the SBA definition, a carrier is small if it has 1,500 or fewer employees. According to the FCC’s Telephone Trends Report data, 1,307 incumbent local exchange carriers (LECs) reported that they were engaged in the provision of local exchange services. Of these 1,307 carriers, an estimated 1,006 have

1,500 or fewer employees and 301 have more than 1,500 employees. Consequently, the Commission estimates that most incumbent LECs are small entities that may be affected by the rules and policies adopted herein.

23. The Commission has included small incumbent LECs in this RFA analysis. As noted above, a “small business” under the RFA is one that, *inter alia*, meets the pertinent small business size standard (e.g., a telephone communications business having 1,500 or fewer employees), and “is not dominant in its field of operation.” The SBA’s Office of Advocacy contends that, for RFA purposes, small incumbent LECs are not dominant in their field of operation because any such dominance is not “national” in scope. Because its proposals concerning the part 36 rules will affect all incumbent LECs, some entities employing 1,500 or fewer employees may be affected by the rule changes adopted in this Order. The Commission has therefore included small incumbent LECs in this RFA analysis, although the Commission emphasizes that this RFA action has no effect on the Commission’s analyses and determinations in other, non-RFA contexts. The Order adopts changes to part 36 that should result in reduced regulatory burdens on incumbent LECs. The Commission notes, however, that the reforms adopted in this Order are focused on incumbent LECs with regulated annual revenues equal to or above \$157 million, a group that likely excludes many small incumbent LECs.

### E. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

24. None.

### F. Steps Taken To Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

25. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include (among others) the following four alternatives: (1) The establishment of differing compliance and reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or part thereof, for small entities.

26. As discussed above, the purpose of this Order is to ensure that the part 36 rules are consistent with the

amendments to the part 32 rules adopted in the *Part 32 Reform Order*. In the *Separations Harmonization NPRM*, the Commission sought comment on the effects its part 36 proposals would have on small entities, and whether any rules adopted should apply differently to small entities. The Commission requested that commenters consider the costs and burdens of possible rule amendments on small incumbent LECs and whether such amendments would disproportionately affect specific types of carriers or ratepayers.

27. The rules adopted in this Order will ease the administrative burden of regulatory compliance for incumbent LECs, including any small incumbent LECs those rules affect. The *Part 32 Reform Order* reduced the number of part 32 accounts that incumbent LECs with regulated annual revenues equal to or above \$157 million are required to keep, and the amendments to part 36 adopted in this Order would carry forward those reductions into the jurisdictional separations process. The rules adopted in this Order apply solely to incumbent LECs and result in reduced regulatory burdens. The Commission therefore certifies that this Order will not have a significant impact on small entities.

### G. Federal Rules That May Duplicate, Overlap, or Conflict With the Final Rules

28. None.

### H. Report to Congress

29. The Commission will send a copy of the Order, including this FRFA, in a report to be sent to Congress and the Government Accountability Office pursuant to the Small Business Regulatory Enforcement Fairness Act of 1996. In addition, the Commission will send a copy of the Order, including the FRFA, to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the Order and FRFA (or summaries thereof) will also be published in the **Federal Register**.

### VI. Ordering Clauses

30. Accordingly, *It is ordered* that, pursuant to the authority contained in sections 1, 2, 4(i) and (j), 201, 205, 220, 221(c), 254, 303(r), 403, and 410 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154(i) and (j), 201, 205, 220, 221(c), 303(r), 403, 410, this Report and Order IS ADOPTED.

31. *It is further ordered* that, pursuant to the authority contained in sections 1, 2, 4(i) and (j), 201, 205, 220, 221(c), 254, 303(r), 403, and 410 of the

Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154(i) and (j), 201, 205, 220, 221(c), 254, 303(r), 403, 410, part 36 of the Commission's rules, 47 CFR part 36, *Is amended*, and such rule amendments shall be effective on January 1, 2019.

32. *It is further ordered* that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this Report and Order, including the Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

33. *It is further ordered* that the Commission SHALL SEND a copy of this Report and Order to Congress and the Government Accountability Office pursuant to the Congressional Review Act.

**List of Subjects in 47 CFR Part 36**

Communications common carriers, Reporting and recordkeeping

requirements, Telephone, Uniform System of Accounts.

Federal Communications Commission.

**Katura Jackson,**

*Federal Register Liaison, Office of the Secretary.*

**Final Rules**

For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR part 36 as follows:

**PART 36—JURISDICTIONAL SEPARATIONS PROCEDURES; STANDARD PROCEDURES FOR SEPARATING TELECOMMUNICATIONS PROPERTY COSTS, REVENUES, EXPENSES, TAXES AND RESERVES FOR TELECOMMUNICATIONS COMPANIES**

■ 1. The authority citation for part 36 is revised to read as follows:

TABLE 1 TO PARAGRAPH (a)(1)

Plant Specific Expenses	
Central Office Switching Expenses .....	Account 6210.
Operators Systems Expenses .....	Account 6220.
Central Office Transmission Expenses .....	Account 6230.
Information Origination/Termination Expenses .....	Account 6310.
Cable and Wire Facilities Expenses .....	Account 6410.
Plant Non-Specific Expenses	
Network Operations Expenses .....	Account 6530.
Customer Operations Expenses	
Marketing .....	Account 6610.
Services .....	Account 6620.

(2) The separation of the costs of Central Office Equipment, Information Origination/Termination Equipment, and Cable and Wire Facilities, combined.

(b) The costs of the general support facilities of local exchange carriers that had annual revenues from regulated

telecommunications operations less than \$157 million for calendar year 2016 are apportioned among the operations on the basis of the separation of the costs of Central Office Equipment, Information Origination/Termination Equipment, and Cable and Wire Facilities, combined.

**Authority:** 47 U.S.C. 151, 152, 154(i) and (j), 201, 205, 220, 221(c), 254, 303(r), 403, 410, and 1302 unless otherwise noted.

■ 2. Revise § 36.112 to read as follows:

**§ 36.112 Apportionment procedure.**

(a) The costs of the general support facilities of local exchange carriers that had annual revenues from regulated telecommunications operations equal to or greater than \$157 million for calendar year 2016 are apportioned among the operations on the basis of either the method in paragraph (a)(1) of this section or the method in paragraph (a)(2) of this section, at the election of the local exchange carrier:

(1) The separation of the costs of the combined Big Three Expenses which include the following accounts:

■ 3. Amend § 36.121 by revising the table in paragraph (a) and the first sentence in paragraph (c)(1)(i) to read as follows:

**§ 36.121 General.**

(a) \* \* \*

TABLE 1 TO PARAGRAPH (a)

Central Office Switching .....	Account 2210.
Operator Systems .....	Account 2220.
Central Office Transmission .....	Account 2230.

\* \* \* \* \*

(c) \* \* \*

(1) \* \* \*

(i) The cost of power equipment used by one category is assigned directly to that category, *e.g.*, 130-volt power

supply provided for circuit equipment.

\* \* \* \* \*

■ 4. Amend § 36.124 by revising the first sentence in paragraph (a) and paragraph (c) to read as follows:

**§ 36.124 Tandem switching equipment—Category 2.**

(a) Tandem switching equipment is contained in Account 2210. \* \* \*

\* \* \* \* \*

(c) Effective July 1, 2001, through December 31, 2018, study areas subject

to price cap regulation, pursuant to § 61.41 of this chapter, shall assign the average balance of Account 2210 to Category 2, Tandem Switching Equipment based on the relative percentage assignment of the average balance of Account 2210 (or, if Accounts 2211, 2212, and 2215 were required to be maintained at the applicable time, the average balances of Accounts 2211, 2212, and 2215) to Category 2, Tandem Switching Equipment during the twelve-month period ending December 31, 2000.

\* \* \* \* \*

**§ 36.125 [Amended]**

- 5. Amend § 36.125 as follows:
  - a. In the introductory text of paragraph (a):
    - i. Remove “accounts 2210, 2211, and 2212” and add in its place “account 2210”; and
    - ii. Add a comma before “transmitters,” after “directors”, and before “switching equipment, TWX”.
  - b. In paragraph (h):
    - i. Remove the reference to “balances of Accounts 2210, 2211, and 2212” and add in its place “balance of Account 2210”; and
    - ii. Remove the reference to “balances of Account 2210, 2211, 2212 and 2215” and add in its place “balance of Account 2210 (or, if Accounts 2211, 2212, and 2215 were required to be maintained at the applicable time, the average balances of Accounts 2211, 2212, and 2215)”.

**§ 36.126 [Amended]**

- 6. Amend § 36.126 as follows:
  - a. In the introductory text of paragraph (a), remove “Accounts 2230 through 2232 respectively” and add in its place “Account 2230”.
  - b. In the introductory text of paragraph (b), remove the word “equipment” and add in its place “equipment”.
  - c. In paragraphs (b)(5) and (6):
    - i. Remove the first reference to “balances of Accounts 2230 through 2232” and add in its place “balance of Account 2230”; and

- ii. Remove the second reference to “balances of Accounts 2230 through 2232” and add in its place “balance of Account 2230 (or, if Accounts 2231 and 2232 were required to be maintained at the applicable time, the average balances of Accounts 2231 and 2232)”.

**§ 36.154 [Amended]**

- 7. Amend § 36.154(b) by removing the word “jurisdiction” and adding in its place “jurisdiction”.

**§ 36.201 [Amended]**

- 8. Amend § 36.201 by:
  - a. Redesignating paragraph (a) as undesignated introductory text; and
  - b. In the table, removing “(Class B telephone companies); Basic area revenue—Account 5001 (Class A telephone companies)”.

**§ 36.211 [Amended]**

- 9. Amend § 36.211 by:
  - a. Redesignating paragraph (a) as undesignated introductory text; and
  - b. In the table:
    - i. Removing “Basic local service revenue (Class B telephone companies)” and adding “Basic Local Service Revenue” in its place; and
    - ii. Removing the entry for “Basic Area Revenue (Class A telephone companies)”.
- 10. Amend § 36.212 by revising the section heading to read as follows:

**§ 36.212 Basic local services revenue—Account 5000.**

\* \* \* \* \*

- 11. Amend § 36.301 by:
  - a. Redesignating paragraph (a) as undesignated introductory text; and
  - b. In the table:
    - i. Removing the entry “Network Support/General Support Expenses—Accounts 6110 and 6120 (Class B Telephone Companies); Accounts 6112, 6113, 6114, 6121, 6122, 6123, and 6124 (Class A Telephone Companies)” and adding an entry for “Network Support/General Support Expenses—Accounts 6110 and 6120” in its place;
    - ii. Removing the entry “Central Office Expenses—Accounts 6210, 6220, 6230

(Class B Telephone Companies); Accounts 6211, 6212, 6220, 6231, and 6232 (Class A Telephone Companies)” and adding an entry for “Central Office Expenses—Accounts 6210, 6220, 6230” in its place;

- iii. Removing the entry “Information Origination/Termination Expenses—Account 6310 (Class B Telephone Companies); Accounts 6311, 6341, 6351, and 6362 (Class A Telephone Companies)” and adding an entry for “Information Origination/Termination Expenses—Account 6310” in its place;
- iv. Removing the entry “Cable and Wire Facilities Expenses—Account 6410 (Class B Telephone Companies); Accounts 6411, 6421, 6422, 6423, 6424, 6426, 6431, and 6441 (Class A Telephone Companies)” and adding an entry for “Cable and Wire Facilities Expenses—Account 6410” in its place;
- v. Removing the entry “Other Property Plant and Equipment Expenses—Account 6510 (Class B Telephone Companies); Accounts 6511 and 6512 (Class A Telephone Companies)” and adding an entry for “Other Property Plant and Equipment Expenses—Account 6510” in its place;
- vi. Removing the entry “Network Operations Expenses—Account 6530 (Class B Telephone Companies); Accounts 6531, 6532, 6533, 6534, and 6535 (Class A Telephone Companies)” and adding an entry for “Network Operations Expenses—Account 6530” in its place;
- vii. Removing the entry “Marketing—Account 6610 (Class B Telephone Companies); Accounts 6611 and 6613 (Class A Telephone Companies)” and adding an entry for “Marketing—Account 6610” in its place; and
- viii. Removing the entry “Operating Taxes—Account 7200 (Class B Telephone Companies); Accounts 7210, 7220, 7230, 7240, and 7250 (Class A Telephone Companies)” and adding an entry for “Operating Taxes—Account 7200” in its place.

The additions read as follows:

**§ 36.301 Section arrangement.**

*	*	*	*	*	*	*
Plant Specific Operations Expenses:						
*	*	*	*	*	*	*
Network Support/General Support Expenses—Accounts 6110 and 6120 .....						36.311.
Central Office Expenses—Accounts 6210, 6220, 6230 .....						36.321.
Information Origination/Termination Expenses—Account 6310 .....						36.331.
Cable and Wire Facilities Expenses—Account 6410 .....						36.341.
Plant Nonspecific Operations Expenses:						
*	*	*	*	*	*	*
Other Property Plant and Equipment Expenses—Account 6510 .....						36.352.
Network Operations Expenses—Account 6530 .....						36.353.

	*	*	*	*	*	*	*
Customer Operations Expenses:							
	*	*	*	*	*	*	*
Marketing—Account 6610 .....							36.372.
	*	*	*	*	*	*	*
Corporate Operations Expenses:							
	*	*	*	*	*	*	*
Operating Taxes—Account 7200 .....							36.411 and 36.412.
	*	*	*	*	*	*	*

■ 12. Amend § 36.302 by revising paragraphs (c)(1) introductory text and (c)(1)(i) to read as follows:

**§ 36.302 General.**

(c) \* \* \*

(1) Subsidiary Record Categories (SRCs) for Salaries and Wages, Benefits

and Other Expenses are applicable to all of the expense accounts except for:

(i) SRCs for access expenses are maintained to identify interstate and state access expense and billing and collection expense for carrier's carrier.

\* \* \* \* \*

■ 13. Amend § 36.310 by revising the table in paragraph (a) to read as follows:

**§ 36.310 General.**

(a) \* \* \*

TABLE 1 TO PARAGRAPH (a)

Network Support Expenses .....	Account 6110.
General Support Expenses .....	Account 6120.
Central Office Switching Expenses .....	Account 6210.
Operator System Expenses .....	Account 6220.
Central Office Transmission Expenses .....	Account 6230.
Information Origination/Termination Expenses .....	Account 6310.
Cable and Wire Facilities Expenses .....	Account 6410.

\* \* \* \* \*

■ 14. Amend § 36.311 by revising the section heading to read as follows:

**§ 36.311 Network Support/General Support Expenses—Accounts 6110 and 6120.**

\* \* \* \* \*

■ 15. Amend § 36.321 by revising the section heading, the table in paragraph (a), and paragraph (b) to read as follows:

**§ 36.321 Central office expenses—Accounts 6210, 6220, and 6230.**

(a) \* \* \*

TABLE 1 TO PARAGRAPH (a)

Central Office Switching Expense .....	Account 6210.
Operator Systems Expense .....	Account 6220.
Central Office Transmission Expense .....	Account 6230.

(b) The expenses in these accounts are apportioned among the operations on the basis of the separation of the investments in central office equipment—Accounts 2210, 2220 and 2230, combined.

■ 16. Amend § 36.331 by revising the section heading to read as follows:

**§ 36.331 Information origination/termination expenses—Account 6310.**

\* \* \* \* \*

■ 17. Amend § 36.341 by revising the section heading to read as follows:

**§ 36.341 Cable and wire facilities expenses—Account 6410.**

\* \* \* \* \*

■ 18. Revise § 36.351 to read as follows:

**§ 36.351 General.**

Plant nonspecific operations expenses include the following accounts:

TABLE 1 TO § 36.351

Other Property Plant and Equipment Expenses .....	Account 6510.
Network Operations Expenses .....	Account 6530.
Access Expenses .....	Account 6540.
Depreciation and Amortization Expenses .....	Account 6560.

■ 19. Amend § 36.352 by revising the section heading to read as follows:

**§ 36.352 Other property plant and equipment expenses—Account 6510.**

\* \* \* \* \*

■ 20. Amend § 36.353 by revising the section heading to read as follows:

**§ 36.353 Network operations expenses—Account 6530.**

\* \* \* \* \*

**§ 36.371 [Amended]**

■ 21. Amend § 36.371, in the table, by removing “(Class B telephone companies); Accounts 6611 and 6613 (Class A telephone companies)”.

■ 22. Amend § 36.372 by revising the section heading to read as follows:

**§ 36.372 Marketing—Account 6610.**

\* \* \* \* \*

**§ 36.375 [Amended]**

■ 23. Amend § 36.375(b)(4) and (5) by removing “through (4)” and adding in its place “through (3)”.

**§ 36.377 [Amended]**

■ 24. Amend § 36.377 by adding a reserved paragraph (b).

■ 25. Amend § 36.392 by revising paragraph (c) to read as follows:

**§ 36.392 General and administrative—Account 6720.**

\* \* \* \* \*

(c) The expenses in this account are apportioned among the operations on the basis of the separation of the cost of the combined Big Three Expenses which include the following accounts:

TABLE 1 TO PARAGRAPH (c)

Plant Specific Expenses	
Central Office Switching Expenses .....	Account 6210.
Operators Systems Expenses .....	Account 6220.
Central Office Transmission Expenses .....	Account 6230.
Information Origination/Termination Expenses .....	Account 6310.
Cable and Wire Facilities Expense .....	Account 6410.
Plant Non-Specific Expenses	
Network Operations Expenses .....	Account 6530.
Customer Operations Expenses	
Marketing .....	Account 6610.
Services .....	Account 6620.

■ 26. Revise § 36.411 to read as follows:

**§ 36.411 Operating taxes—Account 7200.**

This account includes the taxes arising from the operations of the company, *i.e.*:

- (a) Operating Investment Tax Credits.
- (b) Operating Federal Income Taxes.
- (c) Operating State and Local Income Taxes.
- (d) Operating Other Taxes.
- (e) Provision for Deferred Operating Income Taxes.

**§ 36.501 [Amended]**

■ 27. Amend § 36.501, in the table, by removing “(Class B Telephone Companies); Account 3410 (Class A Telephone Companies)”.

**§ 36.505 [Amended]**

■ 28. Amend § 36.505 as follows:

- a. Revise the section heading; and
- b. Redesignate paragraph (a) as an undesignated paragraph.

The revision reads as follows:

**§ 36.505 Accumulated amortization—Tangible—Account 3400.**

\* \* \* \* \*

**§§ 36.3, 36.123, 36.124, 36.125, 36.126, 36.141, 36.142, 36.152, 36.157, 36.191, 36.374, 36.375, 36.377, 36.378, 36.379, 36.380, 36.381, and 36.382 [Amended]**

■ 29. In addition to the amendments set forth above, in 47 CFR part 36, remove the words “twelve month” and add in their place the words “twelve-month” in the following places:

- a. Section 36.3(a) and (b);
- b. Section 36.123(a)(5) and (6);
- c. Section 36.124(d);
- d. Section 36.125(h) and (i);
- e. Section 36.126(b)(5) and (6), (c)(4), (e)(4), and (f)(2);
- f. Section 36.141(c);
- g. Section 36.142(c);
- h. Section 36.152(d);
- i. Section 36.157(b);
- j. Section 36.191(d);
- k. Section 36.374(b);
- l. Section 36.375(b)(4);
- m. Section 36.377(a) introductory text, (a)(1)(ix), (a)(2)(vii), (a)(3)(vii), (a)(4)(vii), (a)(5)(vii), and (a)(6)(vii);
- n. Section 36.378(b)(1);
- o. Section 36.379(b)(1);
- p. Section 36.380(d) and (e);
- q. Section 36.381(c); and
- r. Section 36.382(a).

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**DEPARTMENT OF COMMERCE**

**National Oceanic and Atmospheric Administration**

**50 CFR Part 660**

[Docket No. 170831849–8404–01]

**RIN 0648–XG563**

**Fisheries Off West Coast States; Modifications of the West Coast Recreational and Commercial Salmon Fisheries; Inseason Actions #12 through #37**

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Modification of fishing seasons.

**SUMMARY:** NMFS announces 26 inseason actions in the ocean salmon fisheries. These inseason actions modified the commercial and recreational salmon fisheries in the area from the U.S./Canada border to the U.S./Mexico border.

**DATES:** The effective dates for the inseason actions are set out in this document under the heading Inseason Actions.