**Billing and Collection Working Group**

**Contingency Plan**

**Purpose:** The purpose of this document is to provide a process to address certain contingent needs related to the responsibilities of the North American Numbering Council’s Billing and Collection Agent Oversight Working Group (B&C Working Group”).[[1]](#footnote-1)

**Scope:** The process and procedures defined herein, “the Contingency Plan”, will enable the B&C Working Group to act in a manner that continues to ensure the following:

* necessary annual forecasting for North American Numbering Plan (“NANP”) activities;
* sufficient funding of the North American Numbering Plan (“NANP”) activities, as required by federal law;[[2]](#footnote-2)
* predictable annual contribution factors for carriers and member countries; and
* the functional requirements of the Billing and Collection Agent (“B&C Agent”) are adhered to and complied with.

Specifically, The B&C-Working Group’s contingency plan will ensure that the Working Group is prepared for and can effectively address a situation where annual funding requirements are less than the billed amount received by the B&C Agent through normal cycle billing. As described in detail herein, in such a situation the B&C Working Group would have sufficient notice in order to effectuate this plan; and thereby, use the process detailed herein to effectuate an out-of-normal cycle billing to service providers/NANP member countries in order to collect on billing to ensure sufficient funding of the NANP activities.

**Background:** As described by the Federal Communications Commission (“FCC”), proper funding of the NANP activities will ensure consumers have continued access to the numbering resources essential to the provision of new services and technologies.[[3]](#footnote-3)

In the United States, payments for numbering and pooling administration are assessed on all telecommunications carriers that provide telecommunications services using their own facilities or the facilities and services of other telecommunications carriers, including interconnection VoIP providers.[[4]](#footnote-4) In addition, NANP member countries share in the cost of the NANP functions applicable to it.

In support of these requirements, the FCC rules require the establishment of a B&C Agent. The B&C Agent’s primary functions are to calculate, assess, bill and collect payments from carriers and NANP member countries. Such funds are collected and disbursed on a monthly basis as compensation to the NANPA, the Pooling Administrator (“PA”) and the B&C Agent for their respective functions and agreements with the FCC and on behalf of the industry. Additionally, the B&C functions may serve as required by the Wireline Competition Bureau to support certain audit functions.[[5]](#footnote-5)

Federal law requires the North American Numbering Council (“NANC”) as delegated to the B&C – Working Group, ensure that the B&C Agent operate in a manner which includes the availability of positive balances in all accounts.[[6]](#footnote-6) In addition, the B&C Agent is not authorized to borrow funds to ensure the necessary annual funding of the NANP activities.[[7]](#footnote-7) Accordingly, the B&C Working Group relies upon the development of the requisite yearly forecasts to determine annual funding requirements and the corresponding annual carrier contribution factor. These B&G-Working Group activities, including but not limited to the setting of the annual contribution factor, ensure greater opportunity for all service providers/NANP Member countries to comply with the FCC requirement to fund the administration of the NANP.[[8]](#footnote-8)

The B&C Working Group works diligently to ensure the annual forecasts, the annual contribution factor and any other additional NANP funding needs required in a given year. Historically, the service providers/NANP Member countries have come to rely upon the B&C Working Group efforts which supplies providers/NANP Member countries with predictable billing cycle processes to budget appropriate annual contribution amounts to support the overall funding requirements of administering the NANP. In the unlikely event of a shortfall in funding, service providers could not rely upon the normal billing cycle process and annual budgets would require adjustment to ensure carrier/NANP Member country compliance. As a result of such shortfalls, service providers would need to engage in stop-gap measures to ensure timely and likely adjustment payment amounts in order to comply with federal regulations. Therefore, the contingency planning efforts described herein are intended by the B&C Working Group to minimize or eliminate such circumstances.

**Contingency Plan:**

In order to ensure that the Working Group is prepared for a situation where annual funding requirements for NANP activities are less than the billed amount received by the B&C Agent through normal cycle billing, the following components of a Contingency Plan are provided to ensure necessary funding of NANP activities and compliance with federal law:

1. Triggers:

While this list is not exhaustive, the B&C Working Group could see the following scenarios, individually and/or collectively, triggering the need to utilize the process and procedures described in Section D – Implementation:

* Contractual changes to agreements between the FCC and the NANPA or PA and the B&C Agent which are done outside the current terms of an existing agreement, it’s current term and/or annual billing cycle;
* FCC directed of B&C Agent audits that are beyond the annual forecasted allotment;
* NANPA, PA or B&C Agent change orders[[9]](#footnote-9) which exceed the projected costs or remaining monthly expenditures available in a given annual billing cycle;
* Account payable factors such as slow payment or lack of payment by required carriers and member countries; and
* Action by the FCC that directly or indirectly impacts the costs associated with the administration of the NANP in a manner that was not previously forecasted or covered by existing contingency funds.
1. Timing:

To date, the FCC via the government procurement and contracting processes has aided in efforts to mitigate the need for the B&C Working Group to direct the B&C Agent to bill additional funding requirements to address any NANP annual funding activity shortfalls. However, the B&C Working Group defines the following general timing requirements to support this Contingency Plan.

Upon the occurrence and/or reasonable awareness of one or more of the beforementioned scenarios described in Section A – Triggers, the B&C Working Group will meet with the B&C Agent as soon as possible. The FCC, the B&C Working Group, the B&C Agent and the NANC (collectively referred to as “the Stakeholders”) will work cooperatively and effectively to follow the Contingency Plan; and act in a timely manner to ensure positive balances exist in all accounts and sufficient funding for NANP activities.

1. Roles and Responsibilities:

The following individual Stakeholders are required to support the Contingency Plan and provide the corresponding role and responsibilities as described:

1. B&C Agent – The B&C Agent will ascertain the appropriate information regarding the potential funding requirement, assess the operational and administrative costs for additional billing, notify the B& C Working Group, and factor the projected need with any variation in options called out.
2. B&C Working Group – The B&C Working Group will meet with the B&C Agent to determine the additional factor amount needed for an out-of-cycle billing, communicate with the FCC, the NANC, the service providers (through the NANC) and the Member Countries to prepare for the additional billing.
3. NANC – Upon notification to the NANC Chair, the B&G-WG Chairs along with the B&C Agent will provide the details necessary to communicate the potential likelihood of an out-of-cycle billing and work with the NANC Chair. Thereby ensuring that all pertinent information is made available to the NANC members and all questions addressed in order to receive requisite consensus to approve an out-of-cycle billing. The NANC Chair will timely inform the FCC, in writing, of the need for the out-of-cycle billing,
4. FCC – The FCC may determine that the out-of-cycle billing requires public notice. Upon such a determination the FCC will undertake the issuance of a Public Notice which would include details as compiled by the B&C Working Group, the B&C Agent and agreed to by the NANC. Specific funding requirements and details related to the need for such additional NANP activities will be described and include appropriate timing and any other requirements deemed necessary by the FCC to ensure compliance with federal law.
5. Implementation:

Once the approvals for an out-of-cycle billing to provider and NANP Member Countries has been approved consistent with the Section C- Roles and Responsibilities, the B&C Agent will timely notify the billed parties and begin the process of preparing operations and administration to effectuate same. Once the B&C Agent has activated such requisite billing, the B&C Agent will be prepared and respond to inquiries from the billed parties and complete the collection for the out-of cycle billing. At the conclusion of the billing, the B&C Agent will report to the B&C Working Group and the NANC on the successful completion and sufficient funding of all accounts to support the NANP activities.

1. The B&C Working Group is responsible for overseeing the performance of the functional requirements provided by the North American Numbering Plan Billing and Collection Agent (B&C Agent). [↑](#footnote-ref-1)
2. *See* 47 Code of Federal Regulations §52.12, 52.16 and 52.17; and s*ee also,* revised Section 52.17 rule, as stated in the *Second Report and Order, Order on Reconsideration*, CC Docket No. 96-98 and CC Docket No. 99-200, and *Second Further Notice of Proposed Rulemaking,* CC Docket No. 99-200, Released December 29, 2000. [↑](#footnote-ref-2)
3. *See generally,* “Proposed North American Numbering Plan Administration Fund Size Estimate and Contribution Factor for July 2011 through June 2012”, Docket No. 92-237 (Released May 16, 2011). [↑](#footnote-ref-3)
4. *See* 47 Code of Federal Regulation §52.17(c). [↑](#footnote-ref-4)
5. *See* 47 Code of Federal Regulation §52.16. [↑](#footnote-ref-5)
6. *See* 47 Code of Federal Regulation §52.12 [↑](#footnote-ref-6)
7. Id. [↑](#footnote-ref-7)
8. *See* 47 Code of Federal Regulation §52.17. [↑](#footnote-ref-8)
9. Such change orders can be driven by industry, technology or other system needs. [↑](#footnote-ref-9)