

and efficient communications services, and for the purpose of national defense; and (2) just, reasonable, and nondiscriminatory interstate and foreign communications rates, classifications, regulations, and practices. These include reductions in domestic and international rates for communications services, certification of facilities for interstate and foreign communications use, and licensing of radio for all communications common carrier use, prescription of accounting practices and depreciation rates.

5. Can you quantify this output in any way?

It is difficult to quantify the output of this program. However, some examples of the output of this program are (a) the recent reduction of interstate telephone rates estimated at \$120 million per year, resulting from the first phase of the Commission's inquiry into the Bell System interstate telephone rates; (b) establishment of "after 8" rates and evening charges for station-to-station calls to Alaska from other continental States are expected to result in savings to the public of an estimated \$1.4 million annually; (c) recently revised rate structures for wide area telephone service (WATS) are expected to result in savings to the public of \$5.6 million per year; (d) reduction of over \$1 million annually in overseas rates; (e) processing of approximately 15,000 radio applications for communications common carrier use; (f) handling of petitions for rulemaking and requests for rule waivers; (g) excess of 1,600 letters to the domestic communication carriers and the public in connection with tariff inquiries or informal complaints; and (h) authorization by the Commission of over 700 projects annually to extend or supplement wire and microwave radio facilities.

Other examples of regulatory activities which have resulted or are expected to result in direct benefit to the public are:

An inquiry into the Regulatory and Policy Problems Presented by the Interdependence of Computer and Communication Services and Facilities is now in progress. The growing convergence of computers and communications has given rise to a number of regulatory and policy questions within the purview of the Communications Act. These questions require timely and informed resolution by the Commission in order to facilitate the orderly development of the computer industry and promote the application of its technologies in such fashion as to serve the needs of the public effectively, efficiently and economically.

Investigations into telephone company charges for channel service to CATV operators. This inquiry is expected to establish the legitimate role for communications common carriers in the developing CATV and related wide variety of wired communication services to the home.

The Commission has before it several cases involving tariff restrictions on the subscriber's use of attachments, or devices not furnished by the carrier; interconnection of private systems with those of communications common carriers, and the entry of competing common carriers. The rulings in these cases could significantly affect the structure of the industry and the degree of competition that is to exist in the supply of equipment and the provision of communication services.

6. Would you describe the principal operations that are involved in producing this output?

The principal operations involved are (a) hearings, which include the analyses of any data and testimony furnished by the parties, the cross-examination of the witnesses, and finally the preparation and issuance of decisions in each case; (b) negotiations with the carriers with respect to rates or other matters; (c) analyses of the carrier's operating and financial data; (d) participation in international telecommunications conferences; (e) rulemaking proceedings and actions on requests for waivers of rules; (f) review of applications for common carrier radio facilities and issuance of denial of permits; (g) review of applications to extend or supplement common carrier wire and microwave facilities and issuance or denial of certificates; (h) collaboration with regulatory or other Federal and State government agencies on matters of mutual concern; and (i) prescription of depreciation rates and accounting regulations.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The average man-years devoted to this program in the Common Carrier Bureau will be about 160 for fiscal 1968. These employees are in the following general employment categories:

Attorneys, engineers, accountants, economists, public utilities specialists, statisticians, application examiners, technicians, secretaries, clerk-stenographers, clerk-typists, and file clerks.