

**From:** Ccnso-council  
**To:** [Katrina Sataki](#)  
**Cc:** [ccnso-council@icann.org](mailto:ccnso-council@icann.org)  
**Subject:** [ccnso-council] PTI and IANA FY19 Operating Plans and Budgets - The road forward for us  
**Date:** Friday, February 9, 2018 6:39:30 PM  
**Attachments:** [ATT00001.txt](#)

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Greetings,

As noted in correspondence earlier today from Katrina to the ccTLD Community, the Empowered Community has entered the 21-day Rejection Action Petition Period with regards to the adoption by the ICANN Board of the PTI and IANA FY19 Operating Plans and Budgets, and formal submission by the ICANN Corporate Secretary of the Board's Rejection Action Board Notice, as required by Section 22.4(b)(v) and Annex D, Section 2 of the ICANN Bylaws.

Further, as detailed in Katrina's email and documented in Annex D, Section 2.2(c)(i)(A), any Rejection Action Petition submitted by a member of the Empowered Community must be "...based on one or more significant issues that were specifically raised in the applicable public comment period...".

The purpose of this correspondence to the Council is two-fold. First, it is intended to provide you with an overview of the issues raised during the public comment period, so that you (a) some familiarity with the public comments submitted with respect to the PTI and IANA FY19 Operating Plans and Budgets, and (b) have the necessary background to properly review either any Rejection Action Petition received from a member of the ccTLD Community, or a request by another SO/AC to the ccNSO that the ccNSO support a Rejection Action Petition that they are submitting on behalf of one of their organizational members. Second, I offer my opinion with respect to the viability of a successful Rejection Action Petition submission vis-à-vis the requirements for such a Petition as set forth in Annex D, Section 2.2(c)(i)(A), given the submitted public comments.

The summary of the public comments prepared by ICANN Staff is available at <https://www.icann.org/en/system/files/files/report-comments-draft-pti-iana-fy19-13dec17-en.pdf>[\[icann.org\]](#).

No comments were submitted by any member of the ccTLD Community, nor by any ccNSO Working Group or Standing Committee authorized to submit public comments on behalf of the ccNSO. A total of four comments were received and reviewed by ICANN Staff, all from the GNSO (one comment from the Registries Stakeholder Group, two comments from the GNSO Business Constituency, and one comment from the GNSO Council.)

Comments received break down into the following broad categories:

1. Comments and questions relating to the Audits performed on IANA Functions
2. Comments and questions relating to Capital Expenditures
3. Comments and questions relating to the Operating Plan and Budget Document Structure/Format

4. Comments and questions relating to the actual Budgeted Amounts
5. Comments and questions relating to PTI Separation

None of the comments indicate any serious disagreement with the adopted PTI and IANA FY19 Operating Plans and Budgets. Most are either questions regarding audit details or equipment depreciation, or compliments regarding the separation of the PTI and IANA budgets for easier analysis. One (minor) area of concern is that given the small size of the overall budget, greater granularity of the amounts in the budget would be useful. If there is any area with a bit of friction, it is the comments and questions relating to PTI Separation, but even here there is no discernable sense of serious “upset” with regards to the PTI Separation issue (should it ever arise). It should be noted that the PTI Separation, and specifically reserve funding for it, is part of the ICANN Bylaws (Article 19) and part of the on-going discussion about the ICANN Reserve Fund discussion (see <https://www.icann.org/en/system/files/files/report-comments-reserve-fund-08jan18-en.pdf> for the public comments submitted on the topic of the Reserve Fund).

Based on my review of the submitted comments and ICANN Staff response to the comments received, I see no basis for a Rejection Action Petition being submitted by any SO/AC with respect to the PTI and IANA FY19 Operating Plans and Budgets that would qualify for Empowered Community Administration consideration under Annex D, Section 2.2(c)(i)(A).

Please feel free to contact me with any questions.

Best Regards,  
Stephen Deerhake  
AS Domain Registry