

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska                    ) Application No. 911-019/PI-118  
Public Service Commission, on                    )  
its own motion, to implement                    )  
provisions of LB 1222 [2006] and                ) PROGRESSION ORDER NO. 1  
to establish a permanent funding                )  
mechanism for wireless enhanced                )  
911 service.                                        ) Entered: April 6, 2010

BY THE COMMISSION:

On February 23, 2010, the Nebraska Public Service Commission (Commission) entered an order pursuant to Neb. Rev. Stat. § 86-465(1)(e) adopting a permanent funding mechanism and process to provide funding for the implementation and provision of enhanced 911 service.

Subsequently, the Commission held a workshop regarding implementation of the mechanism and process on March 17, 2010. During the workshop and through other communication, the Commission has received questions and comments requiring additional clarification. Furthermore, an inconsistency exists as to the description of payments to wireless service providers requiring additional explanation. Finally, the Commission has reconsidered the complete exclusion of administrative costs as an eligible expense for wireless service providers.

**I. Clarifications Regarding PSAP Funding**

**A. Shared Costs**

PSAPs are reminded that the funding received can be used solely for costs related to the implementation and provision of enhanced wireless 911 service. Almost all expenses including, but not limited to, GIS data maintenance, software and equipment upgrades and maintenance, are shared expenses for both landline and wireless 911 services and are subject to the wireless/wireline ratio. A cost related to an item such as a dedicated wireless trunk would be an example of an expense that could be entirely paid for with funding from the Enhanced Wireless 911 Fund (Fund). However, if no dedicated wireless trunk is used, the cost of the trunk can be treated as a shared cost subject to the ratio. If PSAPs have questions regarding whether a particular cost is subject to the wireless/wireline ratio, they should contact the Commission staff for clarification.

**B. Funding for GIS Data Maintenance**

Several questions have arisen regarding the use of funds for costs related to the maintenance of GIS data. Appendix B of the February 23, 2010 order listed a specific amount related to GIS in describing the funding allocations made to each PSAP. This was set out only to describe how the total allocation was made and was not intended to dedicate a specific amount for GIS related costs. PSAPs may use the total amount allocated to them for any of the eligible costs. Furthermore, questions have been raised whether the amounts attributable to GIS are intended to be paid to GIS departments which develop and maintain GIS data for a variety of purposes and offices. Any funds expended by a PSAP for GIS related costs can only be spent on those costs that directly relate to the provision of enhanced wireless 911 services. GIS data services are shared costs between wireless and wireline 911 and are therefore subject to the wireless/wireline ratio, unless a higher wireless call volume has been demonstrated by the PSAP.

Douglas, Lancaster, and Sarpy County PSAPs each have in-house personnel that handle their GIS data for 911 purposes. Although, the February 23, 2010 order states that enhanced wireless 911 funds cannot be used for personnel costs, these situations are unique. These three PSAPs may utilize enhanced wireless 911 funds to cover costs associated with in-house personnel who are specifically trained and who are responsible for the maintenance of GIS data specifically related to the provision of enhanced 911 service. Each county shall include in its application its intention to possibly fund these costs, a job description of the individual(s) responsible for such tasks, a certification of their qualification, the approximate percentage of their time dedicated to such tasks, and any such other documentation or information that would support the use of those funds. As stated previously, the maintenance of GIS data for the provision of 911 service is a shared cost and is subject to the wireless/wireline allocation.

Amounts were previously listed for Madison and Stanton due to the fact that these counties had been provided funding for developing the GIS data. However, neither is the designated PSAP for the county. Norfolk Police Department is the designated PSAP for the purposes of enhanced wireless 911 funding. Similarly, Dawes County receives 911 calls for the north half of Sioux County. Scottsbluff takes calls for the south half of Sioux County. Both Dawes County and Scottsbluff County are designated PSAPs. Sioux County does not receive funding and their GIS data has typically been taken care of by these other two counties. Appendix C has been updated to reflect that the funds previously

listed for GIS data maintenance related to those counties which are not designated PSAPs will be part of the allocation for the Norfolk Police Department, Scottsbluff County and Dawes County. These PSAPs have the obligation to ensure that the GIS data is maintained.

#### **C. Equipment Program Clarifications**

Questions have been asked regarding the use of the funds set aside for future equipment and software upgrades and replacements. If a PSAP has set aside a percentage of its allocation for future equipment and software upgrades, those funds cannot then be used in future years for other purposes. However, if a PSAP intends to set aside a certain percentage during its current funding year and finds that expenses during that year will require use of those funds, the PSAP may utilize the funds intended to be set aside during the current funding year for other eligible costs.

#### **D. Pre Existing Commitment Clarifications**

Lincoln/Lancaster County 911 received approval for funding for new equipment on February 23, 2010 in Docket No. 911-023.36 in the amount of **\$619,480.00** which represented 68% of the amount requested to reflect the average percentage of wireless calls received over the previous twelve (12) months. The order further stated the funding amount would be deducted in monthly installment from the PSAP's allocation over a period of sixty (60) months commencing with its first monthly payment under the permanent mechanism or upon the completion of the installation and payment for the equipment and software whichever is later. Because it is unclear as to when the equipment and software will be installed and payments due and the final costs are not yet determined, Appendix C has been amended to reflect the full monthly payment to be paid to the PSAP with no deduction for any equipment costs at this time. Once final costs and schedules are known the appropriate adjustments will be made.

Clay County also received approval for funding for equipment on February 23, 2010 in Docket No. 911-023.28. Because it is unclear as to when the equipment and software will be installed and payments due and the final costs are not yet determined, Appendix C reflects the full monthly payment to be paid to the PSAP with no deduction for any equipment costs at this time. Once final costs and schedules are known the appropriate adjustments will be made.

The Commission has been paying annual amounts on behalf of PSAPs for the maintenance of GIS data. At the time that the order adopting the model was released, it was thought that the contracts for this maintenance expired during 2010. We have since determined that this is not the case and that GIS maintenance contracts extend into 2011. Payments for all of the remaining contracts totaling \$534,200 will be due and paid prior to the implementation of the permanent funding mechanism in July 2010. Deducting these amounts from individual PSAPs' allocations at this late date would have a severe impact on the funding received by PSAPs. Therefore, the costs of the existing GIS maintenance contracts totaling \$534,200 will be paid by the Fund prior to July 1, 2010 and will be treated as a pre-existing commitment in terms of the model. The amount will be added to the pre-existing commitment amount shown in Appendix A of the February 23, 2010 Order when the model is updated.

#### **E. Accounting for Enhanced Wireless 911 Funds**

The February 23, 2010 order required that all Enhanced Wireless 911 funds be maintained in a separate account. A separate bank account is not necessary. The State Auditor's office has advised counties to utilize a separate fund to account for this money. This approach is in compliance with the Commission's order. Although municipalities are not necessarily subject to the State Auditor's process, a similar approach would be acceptable for municipal PSAPs as well. Should any question arise, PSAPs should include a description of how it intends to maintain its funds with its application.

#### **F. GIS Data Maintenance Agreements**

Maintenance agreements for GIS may be on a time and materials basis. For those counties in which few changes are necessary, this may be the most cost effective method for maintaining the data. Each PSAP should evaluate the costs and benefits of having a maintenance contract or maintaining the data on a time and materials basis.

#### **G. Funding for PSAPs Not Yet Implemented**

Questions have been raised as to whether funding will be provided to those counties which have not yet implemented at least Phase I enhanced wireless 911 service. As those counties will not yet have any expenses related to the provision of enhanced wireless 911 services, they will not begin receiving funds until they have implemented with at least one wireless service provider.

## **II. Clarifications Regarding Wireless Service Provider Funding**

### **A. Quarterly Reports and Payments**

An inconsistency existed in the February 23, 2010 order regarding how the funds allocated will be paid and statements regarding use of the quarterly reports. The amount allocated to individual wireless service providers will be paid on a monthly basis in equal installments. Payments during a funding year will not be made based upon the quarterly reports. Quarterly reports will be used as a basis for allocations for the following funding year. If discrepancies in quarterly reports lead to a carrier receiving more funding than it was entitled to during a particular year, the over-payment will be deducted from the wireless service provider's allocation the following year. However, if discrepancies in quarterly reports demonstrate that a wireless service provider would have received a greater allocation during a previous funding year, no additional funding will be paid to the provider. Wireless service providers are responsible for the accuracy of the quarterly reports.

### **B. Eligible Expenses**

The Commission has reconsidered the list of eligible expenses for wireless service providers. Eligible expenses may include administrative expenses directly related to the provision not to exceed rates previously approved and paid by the Commission in Docket No. 911-024. Documentation in support of the expenses will be required as with all other expenses at the time of the annual verification.

## **III. Application Process - Extension of Application Deadline**

Although not previously listed on the application checklists for both wireless service providers and PSAPs, you must provide contact information for your entity including a specific person, address, telephone number, fax number and email address. If you have multiple individuals who will serve as contacts for the Commission regarding enhanced wireless 911 funding, please list this information for each individual. Appendices D, E, and F have been updated to reflect this change.

Due to the questions we have received and the clarifications contained herein, the Commission finds that the deadline for

submission of applications for general funding by both PSAPs and wireless service providers should be extended to **April 23, 2010**.

All PSAPs and wireless service providers are encouraged to contact the Commission if they have any questions regarding the application or funding process.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Commission's February 23, 2010 order adopting permanent funding mechanism and process is clarified and amended as set forth herein.

IT IS FURTHER ORDERED that the deadline for submission of applications for general funding is extended to **April 23, 2010**.

MADE AND ENTERED at Lincoln, Nebraska, this 6th day of April, 2010.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Deputy Director