

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the) Application No. 911-002
Commission, on its own motion,)
seeking to determine the) ORDER SETTING SURCHARGE
surcharge for the Enhanced)
Wireless 911 Fund.) Entered: December 8, 2020

BY THE COMMISSION:

Pursuant to an Order entered October 20, 2020¹, and as required by the Enhanced Wireless 911 Services Act², the Public Service Commission ("Commission") scheduled a hearing on this matter to determine the amount of the monthly Enhanced Wireless 911 Surcharge ("Wireless Surcharge") for calendar year 2021.³ Notice of the hearing was published in the Omaha World Herald, the Lincoln Journal Star, and The Daily Record, on October 23, 2020 and October 29, 2020. Pursuant to a Hearing Officer Order issued November 9, 2020, the hearing was continued until November 17, 2020. Notice of the continued hearing was published in the Omaha World Herald, the Lincoln Journal Star, and The Daily Record, on November 12, 2020.

The Enhanced Wireless 911 Services Act requires the Wireless Surcharge to be collected on all active wireless telephone numbers or functional equivalents. The funds are collected by the wireless carriers and remitted to the Commission. In turn, the Commission remits the Wireless Surcharges to the Nebraska State Treasurer to be credited to the 911 Service System Fund ("Fund").⁴ The Wireless Surcharge is currently set at a monthly rate of \$0.45, an amount which has remained unchanged since January 1, 2013.⁵

The hearing was held on November 17, 2020. Matt Effken appeared as counsel on behalf of the Commission staff. There were no other appearances entered by counsel.

E V I D E N C E

David Sankey, State 911 Director, testified on behalf of Commission staff. Director Sankey provided an overview of the

¹ In the Matter of the Commission, on its own motion, seeking to determine the surcharge for the Enhanced Wireless 911 Fund, Application No. 911-002, ORDER SCHEDULING HEARING (October 20 2020).

² Neb. Rev. Stat. §§ 86-442 to 86-470.

³ Neb. Rev. Stat. §§ 86-457 & 86-458.

⁴ Neb. Rev. Stat. § 86-457 & 86-459.

⁵ See, In the Matter of the Commission, on its own motion, seeking to determine the surcharge for the Enhanced Wireless 911 Fund, Application No. 911-002, ORDER SETTING SURCHARGE (October 23, 2012).

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status of the Fund and recommended there be no change to the current monthly rate of the Wireless Surcharge.

Director Sankey testified that the balance in the Fund as of November 2, 2020 was approximately \$9.4 million. Director Sankey stated that forecasted Wireless Surcharge remittances for the 2020-2021 fiscal year are approximately \$8.7 million. The Director also discussed the \$1.99 million federal grant for next generation 911 ("NG911") implementation, which was awarded during the prior year. These federal grant dollars must be expended prior to March 31, 2022.

Director Sankey testified that total approved expenditures from the fund for the 2020-2021 funding year are approximately \$8.7 million. These dollars are used to provide support to public safety answering points ("PSAPs"), wireless service providers, and local exchange carriers, pay for text-to-911 service, and compensate local exchange carriers for 911 call routing services. Director Sankey also testified that additional projected operational and administrative costs would bring the total amount expected to be expended from the fund to approximately \$9.8 million.

Director Sankey also testified that the Commission has entered into multi-year contracts to support the statewide 911 service system, including GIS quality control, NG911 implementation consultant services, and real-time statewide data collection. He stated that such contracts obligated the Fund to pay approximately \$1.3 million dollars in the current fiscal year. The Director also stated that the RFP process had resulted in an intent to award to Lumen (formerly known as CenturyLink) to provide an Emergency Services Internet Protocol Network and NG911 Core Services. Although the contract to be awarded from RFP is still subject to final negotiation, such costs will amount to about \$815,000 for the first year and \$1.8 million each year thereafter.

Director Sankey noted that all remittances and expenses to the 911 Service System Fund are closely monitored by Commission staff. After allowing for a four-month reserve balance, Director Sankey stated, cash flow analysis indicates that the current Wireless Surcharge rate will sustain the 911 Fund through the end of calendar year 2022.

Director Sankey recommended that the Wireless Surcharge remain at \$0.45 per month for the coming year. In addition, Director Sankey informed the Commission that the Enhanced Wireless

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911 Advisory Board had met on October 21, 2020, and also recommended that the Wireless Surcharge remain at the current rate of \$0.45 per month.

The Commission also heard testimony from Alma Beland, the 911 Director for Region 26 Council, which operates a PSAP serving eight counties in central Nebraska. Director Beland testified that her PSAP dispatches for eight sheriff offices, four police departments, 21 fire departments and 16 ambulance squads serving nearly 5,000 square miles. She noted that the cost of critical PSAP equipment—such as radios—has increased, while local wireline surcharge revenues have declined precipitously. Director Beland testified that her PSAP uses its allocation of Wireless Surcharge funds to help pay for dispatcher wages and noted that the increasing adoption of cellular phones has increased PSAP workloads. Director Beland stated that Region 26 would like to see the Wireless Surcharge raised to \$0.70 per month and eventually increased to \$1.00 per month.

No other witnesses provided testimony at the hearing.

F I N D I N G S A N D C O N C L U S I O N S

Pursuant to *Neb. Rev. Stat.* § 86-457, the Commission may set the Wireless Surcharge no higher than \$0.70 per month for each active wireless telephone number or functional equivalent, except in Douglas County, where the maximum Wireless Surcharge is \$0.50.

The Commission finds, based upon witness testimony, the Commission staff's recommendation, the Advisory Board recommendation, and the current fund balance, that the Wireless Surcharge should be maintained at forty-five cents (\$0.45) per active wireless telephone number or functional equivalent, per month. The Commission will reconsider the Wireless Surcharge rate annually, as required by the Enhanced Wireless 911 Services Act.

The Commission will continue to monitor funding needs, revenue projections and the fund balance and will make adjustments in the future should it be necessary.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Wireless Surcharge for the Enhanced Wireless 911 Fund should remain at forty-five cents (\$0.45) per active

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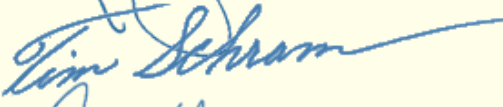

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wireless telephone number or functional equivalent, per month, effective January 1, 2021.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 8th day of December, 2020.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:


Chair

ATTEST:


Executive Director