

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

BY THE COMMISSION:

E V I D E N C E

Sue Vanicek, Director of the Nebraska Telecommunications Infrastructure and Public Safety Department, next testified on behalf of Commission staff. Ms. Vanicek provided an overview of the current status of the Fund and an explanation regarding the adjustment to be made to the Fund balance. Ms. Vanicek explained that at least a six-month operating reserve should be maintained in the Fund and that the current balance represents roughly a two-year operating reserve. Ms. Vanicek stated that two primary objectives of maintaining this reserve are to plan

for the implementation of Next Generation 911 (NextGen 911) and replace broken or outdated equipment.

However, she stated that both the timing and cost of implementing NextGen 911 are uncertain and that, according to the FCC, implementation could be as many as five to ten years in the future. Ms. Vanicek also noted that many of the equipment systems for which replacement was anticipated have already been replaced and that the PSAPs have had time to set aside annual 911-SAM allocation savings to purchase equipment. She recommended that in order to achieve an appropriate reserve in light of the inherent uncertainties associated with NextGen 911 and the reduced need to replace equipment, the surcharge should be reduced from the current rate of \$.50 and fixed at \$.45.

Kara Thielen testified on behalf of Viaero Wireless. Ms. Thielen stated that the surcharge should not be reduced at this time and that the Commission should instead consider immediately implementing a NextGen 911 plan.

Mark Conrey testified on behalf of Douglas County 911. Mr. Conrey stated that the surcharge should not be reduced because of the upcoming costs associated with implementing NextGen 911 and that statewide oversight is needed to accomplish such implementation.

Todd Thalken, a captain with the Columbus Police Department, testified on behalf of the Platte County PSAP. Mr. Thalken stated that the surcharge should not be reduced and agreed with Mr. Conrey that statewide oversight is needed for NextGen 911 implementation. Mr. Thalken also testified that legislative change is necessary to make IP-based expenses payable by the Fund.

Beth Ferrell testified on behalf of the Nebraska Association of County Officials. Ms. Ferrell testified that the surcharge should not be reduced, because she believes it may be politically difficult to increase the surcharge in the future when additional funding is needed.

The Enhanced Wireless 911 Advisory Board recommended that the surcharge not be reduced and that it remain at the current rate of \$0.50.

#### FINDINGS AND CONCLUSIONS

Pursuant to Neb. Rev. Stat. § 86-457, the surcharge may be increased by the Commission up to \$.70 per active telephone

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number or functional equivalent for all counties but Douglas County, which remains capped at \$.50.

The Commission understands the concerns expressed by witnesses and the Advisory Board regarding the reduction of the wireless 911 surcharge. However, the funding needed for NextGen 911 remains speculative and is not sufficient to justify maintaining high reserves in the Fund. Furthermore, the Commission must act to balance current funding needs with the interest of the wireless subscribers paying the surcharge. Based upon an estimated 1.3 million wireless subscribers in Nebraska, a ten percent (10%) reduction in surcharge represents approximately a savings of \$1.56 million to subscribers during the Commission's two-year budget cycle.

Therefore, the Commission finds that based upon testimony provided by staff and the current fund balance the surcharge should be reduced to forty-five cents (\$.45) per active telephone number or functional equivalent, per month. The Commission will have the opportunity to revisit the surcharge level annually. We 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 surcharge for the Enhanced Wireless 911 Fund should be set at forty-five cents (\$.45) per active telephone number or functional equivalent, per month effective January 1, 2013.

MADE AND ENTERED at Lincoln, Nebraska, this 23rd day of October, 2012.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Tim Schram*

Vice Chair

*Gould F. Vep*

//s//Anne C. Boyle  
//s//Frank E. Landis

ATTEST:

*Phil S. H. 20*

Executive Director