

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission on) APPLICATION NO. C-857
its own motion seeking to adopt the)
surcharge for the Statewide Dual)
Relay System. The surcharge shall) GRANTED
not exceed 10 cents per month on)
each telephone access line in)
Nebraska.) Entered: August 28, 1990

OPINION AND FINDINGS

BY THE COMMISSION:

By docket opened August 6, 1990, the Commission on its own motion, pursuant to LB 240, seeks to adopt the appropriate surcharge to fund the state-wide dual party relay system. LB 240 specifically stated that before September 1, 1990, and before September 1 of each year thereafter, the Commission shall hold a public hearing to determine the amount of the surcharge necessary to carry out the purpose specified in the bill.

Notice of the docket was published pursuant to the provision of the Commission's rules and regulations. Pursuant to notice required by law, public hearing was held on the docket August 28, 1990, in the Commission Hearing Room, Lincoln, Nebraska.

M. Gene Hand, Commission Engineer, testified as to the dual party relay service surcharge revenue projection. After contacting each of the local exchange carriers in the state, a projection was submitted, beginning at 5 cents a month, increasing a penny up to the maximum level of 10 cents a month. The Commission must set the surcharge at a level necessary to fund the statewide dual party relay system for the following year, plus a reasonable reserve. The surcharge is to be effective January 1, 1990.

A penny surcharge of 5 cents a month would result in about \$477,022 in annual revenue, 6 cents would be \$572,427, 7 cents would be \$667,831, 8 cents would be \$763,236, 9 cents would be \$858,640, and 10 cents would be \$954,044. The estimates that the advisory committee used in making it's recommendation was that the first year costs for the dual relay system provided by Hamilton Telephone Company, under projection "B" submitted to the Commission, would be approximately \$568,000. It appears from staff analysis that, to cover the relay contract, conservatively estimated expenses and a reasonable reserve, a 7 cent surcharge would fund the cost of the relay.

No other interested party testified. Upon consideration of the docket, the evidence adduced at the hearing and being fully advised, the Commission is of the opinion and finds that a 7 cent surcharge should be adopted.

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ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that a surcharge of 7 cents per access line is ordered pursuant to LB 240, to fund the dual party relay system.

IT IS FURTHERED ORDERED that all local telephone exchange companies are hereby required, beginning January 1, 1991, to collect a surcharge of 7 cents per month on each telephone access line in Nebraska. The surcharge shall only be collected on the first one hundred telephone access lines per customer. The telephone companies shall add the surcharge to each customer's local telephone bill. The telephone companies shall not be liable for any surcharge not paid by a customer and shall not be obligated to take legal action to collect the surcharge. The proceeds from the surcharge shall be remitted to the Commission monthly no later than thirty days after the end of the month in which they were collected.

MADE AND ENTERED at Lincoln, Nebraska, this 28th day of August, 1990.

NEBRASKA PUBLIC SERVICE COMMISSION

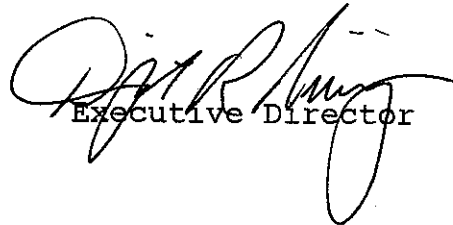


Chairman

COMMISSIONERS CONCURRING:

//s//Duane D. Gay
//s//Frank E. Landis, Jr.
//s//James Munnelly
//s//Eric Rasmussen
//s//Daniel G. Urwiller

ATTEST:


Executive Director