

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission on ) Application No. C-1209  
its own motion to determine a sur- )  
charge for the Statewide Telecom- ) ORDER ENTERED;  
munications Relay Service (TRS) to ) SURCHARGE UNCHANGED  
be effective January 1, 1996. ) Entered: September 19, 1995

APPEARANCES

Deonne Bruning, Staff Counsel  
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PRELIMINARY MATTERS

This docket was opened July 7, 1995 by the Commission to consider what, if any, change should be made to the surcharge used to fund the TRS. LBs 240 (LAWS 1990) and 305 (LAWS 1993) set forth the statutory requirements establishing the Relay. The legislation requires an annual review and hearing before October 1 of each year to determine the surcharge to fund the Relay for the forthcoming year.

Notice of the application and date of hearing was published in the Omaha Daily Record July 19, 1995, and the Executive Director of the Commission sent notice to all interested parties on July 18, 1995. The Hearing was held in the Commission Hearing Room, Lincoln, Nebraska August 28, 1995. Commissioner R. Johnson chaired the proceeding.

O P I N I O N   A N D   F I N D I N G S

Maurice Gene Hand, Director of the Commission's Communications Department, testified. He and the Department staff studied usage data provided by the Relay vendor, Hamilton Telephone Company. This data shows actual usage from January, 1991 through and including July, 1995. The data shows usage, number of calls, monthly cost, and revenue generated by the present seven cent surcharge. Based on past usage, Hand testified that staff has projected the Relay's use through the end of 1996 and recommends that the current surcharge of seven cents per access line be maintained. According to Hand, the Relay Advisory Committee to the Commission passed a motion recommending the surcharge remain at seven cents. Tami Richardson-Nelson, Chair of the Relay Advisory Committee, submitted a letter to the Commission, in the form of a late-filed exhibit, of the Advisory Committee's opinion that the surcharge remain at seven cents for 1996.

Prior to 1994, Nebraska paid for interstate TRS calls through its surcharge funding; however, NECA has contributed revenue to the fund to cover the cost of interstate calls, thereby, reducing the minutes billed by Hamilton to the Commission by approximately 15 percent. In addition to the NECA funding, the addition of cellular access lines has increased revenues and spread the cost of the Relay across a broader spectrum of telephone users. General access lines continue to grow in Nebraska, although at a reduced rate.

Each penny of the surcharge generates approximately \$10,300 per month. Hand testified that the staff's projections on the amount of revenue generated by each penny of surcharge and the projections of the Relay's use have been historically accurate. He believes the projection of usage and costs through the end of 1996 is accurate and reliable. He did observe that the introduction of the specialized equipment distribution program, pursuant to LB 146, adds a degree of uncertainty to the projections because it is unknown how much money will be spent. However, the statutory amount allocated to the equipment has been set aside. Thus, the projections for 1996 should not be impacted by the addition of this new program. Seven cents will adequately fund both the Relay and the specialized equipment program. Lastly, a seven cent surcharge, will continue to reduce the considerable reserve that had accumulated in the fund.

Upon consideration of the evidence adduced at the hearing and being fully informed, the Commission is of the opinion and finds that the current surcharge of seven cents should remain in effect for the upcoming year, beginning January 1, 1996.

#### O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that, pursuant to LBs 240 and 305 (LAWS 1990 and 1993, respectively), a seven cents per access line surcharge shall fund the Telecommunications Relay System in 1996.

IT IS FURTHER ORDERED that all affected telecommunications companies are hereby required, beginning January 1, 1996, to collect a seven cent surcharge per month on each telephone access line in Nebraska.<sup>1</sup> The companies shall add the surcharge to each customer's bill. The companies shall not be liable for any surcharge not paid by a customer and shall not

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<sup>1</sup>The surcharge shall only be collected on the first one hundred telephone access lines per customer.

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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 19th day of September, 1995.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING



//s//Frank Landis

//s//James F. Munnelly

//s//Daniel G. Urwiller



Chairman

ATTEST:



Executive Director

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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