

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission, on) Application No. C-1587
its own motion, to determine a sur-) charge for the statewide Telecom-) GRANTED
munications Relay System (TRS) to)
be effective January 1, 1998.) Entered: September 3, 1997

APPEARANCES:

For the Communications Department:
Deonne Bruning, Staff Counsel
300 The Atrium, 1200 N Street
P.O. Box 94927
Lincoln, NE 68508

PRELIMINARY MATTERS

This docket was opened July 1, 1997, by the Commission to consider what, if any, change should be made to the surcharge used to fund the TRS. LBs 240 (1990) and 305 (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 hearing appeared in The Daily Record, Omaha, Nebraska, on July 14, 1997. The deputy director of the Commission sent notice to all interested parties on July 11, 1997. The hearing was held in the Commission Hearing Room, Lincoln, Nebraska, on August 26, 1997.

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

Steve Stovall, staff auditor of the Commission's Communications Department, testified: He and the Department staff studied usage data provided by the Relay vendor, Hamilton Communications. This data shows actual usage from January 1996 through and including June 1997. The data shows usage, number of calls, monthly cost and revenue generated by the present seven cent surcharge. Mr. Stovall presented data projecting the surcharge level at seven, six and five cents for 1998. Based on past usage, Mr. Stovall testified that staff has projected the Relay's use through the end of 1998 and recommends that the current surcharge of seven cents per access line be reduced to six cents.

According to Mr. Stovall, the Relay Advisory Committee to the Commission passed a motion recommending the surcharge be reduced to six cents. Richard McGowan, Vice Chair of the Relay Advisory Committee, submitted a letter to the Commission of the Committee's opinion that the surcharge be reduced to six cents for 1998.

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Mr. Stovall testified that the staff's projections on the amount of revenue needed to fund the relay have been historically accurate. He believes the projection of usage and costs through the introduction of the specialized equipment distribution program, pursuant to LB 146 (1995), are properly reflected. He testified reducing the fund to five cents for 1998 may create a shortfall prohibiting the Commission from paying its bills to Hamilton for services rendered. Lastly, he testified a six cent surcharge will continue to reduce the reserve that had accumulated in the fund.

Dick McMillan, a member of the Relay Advisory Committee, testified and agreed with the staff's recommendation to lower the surcharge to six cents.



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 six cent per access line surcharge shall fund the Telecommunications Relay System in 1998.

IT IS FURTHER ORDERED that all affected telecommunications companies are hereby required, beginning January 1, 1998, to collect a six cent surcharge per month on each telephone access line in Nebraska.¹ 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 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 3rd day of September, 1997.

COMMISSIONERS CONCURRING:

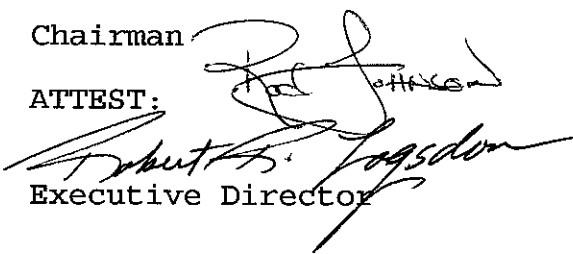



//s//Rod Johnson
//s//Frank E. Landis

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:


Executive Director

¹The surcharge shall be collected on the first one hundred telephone access lines per customer.