

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission, on) Application No. C-1879
its own motion, to determine a sur-))
charge for the statewide Telecom-) GRANTED
munications Relay System (TRS) to)
be effective January 1, 1999.) Entered: October 20, 1998

APPEARANCES:

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

PRELIMINARY MATTERS

This docket was opened August 6, 1998, 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 August 10, 1998. The director of this Commission sent notice to all interested parties on August 26, 1998. The hearing was held in the Commission Hearing Room, Lincoln, Nebraska, on September 21, 1998.

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

Steve Stovall, staff accountant for 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 1997 through and including June 1998. The data shows usage, number of calls, monthly cost and revenue generated by the present six cent surcharge. Mr. Stovall presented data projecting the surcharge level at six, five and four cents for 1999. Based on past usage, Mr. Stovall testified that staff has projected the Relay's use through the end of 1999 and recommends that the current surcharge of six cents per access line be reduced to five cents.

According to Mr. Stovall, the Relay Advisory Committee to the Commission passed a motion recommending the surcharge be reduced to five cents. Jerry Siders, Chair of the Relay Advisory Committee, submitted a letter to the Commission of the

Application No. C-1879

PAGE TWO

Committee's opinion that the surcharge be reduced to five cents for 1999.

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 four cents for 1999 may create a shortfall prohibiting the Commission from paying its bills to Hamilton for services rendered. Lastly, he testified a five cent surcharge will continue to reduce the reserve that had accumulated in the fund.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that, pursuant to LBs 240 (1990) and 305 (1993), a five cent per access line surcharge shall fund the Telecommunications Relay System in 1999.

IT IS FURTHER ORDERED that all affected telecommunications companies are hereby required, beginning January 1, 1999, to collect a five 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 20th day of October, 1998.

COMMISSIONERS CONCURRING: NEBRASKA PUBLIC SERVICE COMMISSION

Lowell C. Johnson

Chairman

ATTEST:

Ann C. Boyle

Robert S. Logsdon
Executive Director

//s//Lowell C. Johnson
//s//Frank E. Landis
//s//Daniel G. Urwiller

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