

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Application No. C-4967
on its own motion, to determine)
the surcharge for the statewide)
Telecommunications Relay System) ORDER SETTING SURCHARGE
to be effective July 1, 2018.)
)
) Entered: March 27, 2018

BY THE COMMISSION:

The above-captioned proceeding was opened by the Nebraska Public Service Commission (Commission), on its own motion, to determine the appropriate surcharge for the statewide Telecommunications Relay System (TRS) for the fiscal year beginning on July 1, 2018. The Commission is charged by statute to hold an annual public hearing, prior to April 1 of each year, to determine the amount of surcharge necessary to carry out the provisions of the Telecommunications Relay System Act, Neb. Rev. Stat. §§ 86-301 to 86-315. The surcharge is used to fund the TRS and the Nebraska Specialized Telecommunications Equipment Program (NSTEP) for the coming year.

Notice of the proceeding appeared in The Daily Record, Omaha, Nebraska, on February 23, 2018. The order opening the above-captioned docket and setting the hearing was entered on February 21, 2018, and mailed to all interested parties. A public hearing was held on March 13, 2018, in the Commission Hearing Room.

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 Communication Department, testified on behalf of the Commission staff. Mr. Stovall offered his pre-filed written testimony that included five (5) attachments and it was received into the record and marked as Exhibit No. 4. The attachments to the written testimony are as follows: 1) Selected Historical Statistics & Current Assessment Period; 2) Forecast Assumption #1, showing the surcharge remaining at \$.01 for the next fiscal year; 3) Forecast Assumption #2, showing the surcharge increasing to \$.02 for the next fiscal year; 4) Selected Historical Statistics, including session and conversation minutes; and 5) Letter from Sprint addressing misuse of 711 Dialing.

Mr. Stovall incorporated cost columns for Captioned Telephone (CapTel) into the attachments to his testimony projecting future expenses and revenue related to the TRS fund. Mr. Stovall noted

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that since the 2012-13 fiscal year, the use of CapTel has been declining. Because of this decline, Mr. Stovall's projections include a continued decline in this service for future periods.

Mr. Stovall also noted certain events unique to this fiscal year and the coming fiscal year, including costs related to an awareness program to the use of TRS services, which will be a one-time expense for the TRS fund. Mr. Stovall also noted that he is currently preparing a Request for Proposal (RFP) to solicit bids for a new relay contract beginning July 1, 2019. Because this will be the final year of the current contract, Mr. Stovall expects that TRS costs may increase in coming years.

Based on his analysis, forecasts, and experience as the Commission's administrator of the TRS programs, Mr. Stovall recommended that the surcharge remain at the current rate of one cent (\$.01) for the next fiscal year beginning July 1, 2018. The revenue generated from a one-cent surcharge is sufficient to bring about a decline in the reserve balance, while keeping a reasonable reserve balance which will be sufficient to sustain the program.

Tami Richardson-Nelson, the Chair of the TRS Advisory Committee, submitted a letter to the Commission on January 26, 2018, reporting that the Advisory Committee voted to recommend to the Commission that the surcharge remain at its current level of one cent (\$.01) effective July 1, 2018, based on the forecasts available to the Committee at its meeting on January 19, 2018.

The Commission finds that the recommendations of Mr. Stovall and of the TRS Advisory Committee are reasonable and that the surcharge should remain at one cent (\$.01) for the fiscal year beginning on July 1, 2018.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that, pursuant to the Telecommunications Relay System Act, the TRS surcharge should be set at one cent (\$.01) per telephone number or functional equivalent, beginning July 1, 2018.

IT IS FURTHER ORDERED that all affected telecommunications companies are hereby required, beginning July 1, 2018, to collect a one cent (\$.01) surcharge per month on each telephone number or functional equivalent in Nebraska. Except for wireless carriers, the surcharge shall be only collected on the first one hundred telephone numbers, or functional equivalents, per subscriber.

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ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 27th day of March, 2018.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Tim Schram
Crystal Goodles
Frank E. Landis

//s//Frank E. Landis
//s//Mary Ridder

Mary Ridder

Chair

ATTEST:

Michael S. Hyde

Executive Director