

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Implementation of Florida  
Telecommunications Access Systems  
Act of 1991.

DOCKET NO. 910496-TP

In re: Request for submission of  
proposals for provision of relay  
service, beginning in June 1997,  
for the hearing and speech  
impaired, in compliance with the  
Florida Telecommunications Access  
System Act of 1991.

DOCKET NO. 960598-TP ✓  
ORDER NO. PSC-97-0584-FOF-TP  
ISSUED: May 21, 1997

The following Commissioners participated in the disposition of  
this matter:

JULIA L. JOHNSON, Chairman  
SUSAN F. CLARK  
J. TERRY DEASON  
JOE GARCIA  
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION  
ORDER RELATING TO TELECOMMUNICATION RELAY SERVICE,  
FTRI BUDGET, AND SURCHARGE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service  
Commission that the action discussed herein is preliminary in  
nature and will become final unless a person whose interests are  
substantially affected files a petition for formal proceeding  
pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

The Telecommunications Access System Act of 1991 (TASA) became  
effective May 24, 1991 and is found in Chapter 427, Part II of the  
Florida Statutes. TASA was developed in response to two needs.  
The first was the need for permanent funding for the distribution  
of specialized telecommunications equipment for people who are  
hearing and speech impaired (TDDs, volume control telephones,  
etc.). The second motivation for TASA was the need for a  
telecommunications relay system whereby the cost for access to  
basic telecommunications services for persons who have a hearing or  
speech impairment is no greater than the amount paid by other  
telecommunications customers.

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FPSC-RECORDS/REPORTING

The federal Americans with Disabilities Act (ADA) required telephone companies to develop a relay system for both interstate and intrastate calls by July 1993; however, TASA mandated that a statewide telecommunications relay service be provided earlier, beginning June 1, 1992. Florida's TASA required the development of a statewide relay service that would be capable of being certified by the FCC. TASA provides funding for the distribution of specialized telecommunications devices and provision of intrastate relay service through the imposition of a surcharge of up to \$.25 per access line per month. (Accounts with over 25 lines are billed for only 25 lines).

Florida Telecommunications Relay, Inc. (FTRI), a non-profit corporation formed by the then thirteen local exchange telephone companies, was named by the Commission to serve as the TASA administrator. Currently, FTRI has over 130,000 Floridians in its client data base.

Beginning July 1, 1991, the LECs began collecting the initial \$.05 per access line surcharge pursuant to Order No. 24581; the surcharge was increased to \$.10 per access line on July 1, 1992. The surcharge remained at \$.10 per access line through November 30, 1994. Effective December 1, 1994, the surcharge was increased to \$.12 per access line. Due to expense reductions proposed by FTRI and a cash balance in its surplus fund account, the surcharge was reduced from \$.12 to \$.10 for the fiscal year 1995-1996. Staff was aware that the cash balance would be reduced during the fiscal year and that an increase in the surcharge would be inevitable for the 1996-97 fiscal year. Accordingly, the Commission ordered the surcharge increased back to \$.12, effective July 1, 1996.

#### FTRI BUDGET

We believe the current \$.12 surcharge is sufficient to fund FTRI's planned programs for the upcoming fiscal year. While the per minute rate for relay service will decrease from \$ .745 per minute to \$.60 per minute beginning June 1, 1997, the minutes of use have been increasing. In June 1992 FTRI was billed for 333,913 minutes of actual use; in January 1997 they were billed for 1,030,116. MCI projects that minutes of use will exceed 1.2 million by May 1998.

It is estimated, based on information received on April 16, 1997, that the amount of cash surplus in FTRI's account will be approximately \$1.5 million on June 30, 1997. FTRI and staff agree that an appropriate amount of surplus is equal to approximately one month's cash disbursements. Using the most current data available, and applying FTRI's simplified cash flow model, with the surcharge continuing at \$.12 per access line, the surplus balance will be

ORDER NO. PSC-97-0584-FOF-TP  
DOCKETS NOS. 910496-TP, 960598-TP  
PAGE 3

approximately \$1.1 million at the end of the fiscal year (which is very close to one month's cash disbursements). Therefore, we approve FTRI's proposed budget for fiscal year 1997-98 to be effective July 1, 1997, and local exchange telephone companies and alternative local exchange companies should continue to assess the current \$.12 surcharge.

It is, therefore,

ORDERED by the Florida Public Service Commission that FTRI's proposed budget for the fiscal year 1997-98 is approved effective July 1, 1997, as proposed by FTRI in Attachment A. It is further

ORDERED that, as is the case today, the budget shall be grouped into five categories. FTRI may move amounts between these five categories not to exceed 10% of the category from which the funds are being moved; greater movement would require prior Commission authorization. It is further

ORDERED that the local exchange telephone companies and alternative local exchange companies continue to assess the \$.12 surcharge. It is further

ORDERED that these dockets remain open.

By ORDER of the Florida Public Service Commission, this 21st day of May, 1997.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

by: Kay Flynn  
Chief, Bureau of Records

( S E A L )

CBM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on June 11, 1997.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

	COMMISSION APPROVED BUDGET 1996-1997	FTRI BEST VIEW ACTUAL 1996 - 1997 (AS OF MARCH 1997)	FTRI PROPOSED BUDGET 1997 - 1998
<b>OPERATING REVENUE</b>			
(1.) SURCHARGES	\$12,972,441.00	\$13,137,976.00	\$13,696,341.00
(2.) INTEREST INCOME	\$67,810.00	\$70,982.00	\$71,658.00
(3.) SERVICE/OTHER	\$0.00	\$0.00	\$0.00
<b>TOTAL OPERATING REVENUE</b>	<b>\$13,040,251.00</b>	<b>\$13,208,958.00</b>	<b>\$13,767,999.00</b>
<b>OPERATING EXPENSES</b>			
<b>CATEGORY 1 - RELAY SERVICES</b>			
(4.) DPR PROVIDER	\$7,978,908.00	\$8,962,227.00	\$8,862,120.00
<b>SUBTOTAL-CATEGORY 1</b>	<b>\$7,978,908.00</b>	<b>\$8,962,227.00</b>	<b>\$8,862,120.00</b>
<b>CATEGORY II - EQUIPMENT &amp; REPAIRS</b>			
(5.) TDD EQ	\$481,500.00	\$374,027.00	\$399,000.00
(6.) LARGE PRINT TDD'S	\$5,690.00	\$5,690.00	\$5,010.00
(7.) VCO/HCO-TDD	\$45,800.00	\$36,994.00	\$295,950.00
(8.) VCO-TELEPHONE	\$67,000.00	\$94,794.00	\$134,000.00
(9.) DUAL SENSORY EQ	\$0.00	\$0.00	\$0.00
(10.) VCP HEARING IMP	\$2,490,840.00	\$1,681,613.00	\$1,838,160.00
(11.) VCP SPEECH IMP	\$7,926.00	\$5,300.00	\$16,590.00
(12.) IN-LINE AMPLIFIER	\$0.00	\$0.00	\$13,200.00
(13.) ARS SIGNALING EQ	\$362,500.00	\$313,100.00	\$371,070.00
(14.) VRS SIGNALING EQ	\$78,225.00	\$57,924.00	\$60,345.00
(15.) TRS SIGNALING EQ	\$750.00	\$735.00	\$860.00
(16.) TELECOMM EQ REPAIR	\$164,575.00	\$255,657.00	\$290,000.00
<b>SUBTOTAL-CATEGORY II</b>	<b>\$3,704,806.00</b>	<b>\$2,825,834.00</b>	<b>\$3,424,285.00</b>
<b>CATEGORY III - EQUIPMENT DISTRIBUTION AND TRAINING</b>			
(17.) FRGHT/TELECOMM EQ	\$27,642.00	\$21,144.00	\$23,686.00
(18.) REGIONAL DIST CTRS	\$710,124.00	\$710,124.00	\$710,124.00
(19.) WORKSHOP EXPENSE	\$10,750.00	\$11,106.00	\$18,146.00
(20.) TRAINING EXPENSE	\$30,000.00	\$35,556.00	\$39,112.00
<b>SUBTOTAL-CATEGORY III</b>	<b>\$778,516.00</b>	<b>\$777,930.00</b>	<b>\$791,068.00</b>
<b>CATEGORY IV - OUTREACH</b>			
(21.) OUTREACH EXPENSE	\$64,885.00	\$6,161.00	\$153,000.00
<b>SUBTOTAL-CATEGORY IV</b>	<b>\$64,885.00</b>	<b>\$6,161.00</b>	<b>\$153,000.00</b>
<b>CATEGORY V - GENERAL &amp; ADMINISTRATION</b>			
(22.) ADVERTISING	\$2,100.00	\$388.00	\$800.00
(23.) ACCOUNTING/AUDITING	\$12,000.00	\$11,425.00	\$11,525.00
(24.) LEGAL	\$54,000.00	\$31,941.00	\$42,000.00
(25.) CONSULTATION	\$6,500.00	\$1,075.00	\$25,000.00
(26.) AUTO LEASE EXPENSE	\$4,800.00	\$4,800.00	\$4,800.00
(27.) BANK CHARGES	\$0.00	\$0.00	\$0.00
(28.) DUES/SUBSCRIPTIONS	\$1,250.00	\$660.00	\$1,000.00
(29.) OFFICE FURNITURE PURCHASE	\$1,000.00	\$848.00	\$1,000.00
(29A.) LESS: CAPITALIZED POR	\$0.00	\$0.00	\$0.00
(30.) OFFICE EQUIPMENT PURCHASE	\$2,500.00	\$6,358.00	\$23,500.00
(30A.) LESS: CAPITALIZED POR	\$0.00	\$0.00	\$0.00
(31.) DEPRECIATION	\$0.00	\$0.00	\$0.00
(32.) OFFICE EQUIPMENT LEASE	\$3,160.00	\$3,707.00	\$3,892.00
(33.) INSURANCE-HEALTH/LIFE/DISABILITY	\$70,280.00	\$54,388.00	\$62,269.00
(34.) INSURANCE-OTHER	\$3,250.00	\$2,799.00	\$3,250.00
(35.) OFFICE EXPENSE	\$5,250.00	\$5,806.00	\$7,008.00
(36.) POSTAGE	\$16,500.00	\$14,310.00	\$15,024.00
(37.) RENT	\$45,875.00	\$45,975.00	\$47,698.00
(38.) PRINTING	\$35,000.00	\$33,625.00	\$35,308.00
(39.) RETIREMENT	\$28,713.00	\$20,945.00	\$27,073.00
(40.) EMPLOYEE COMPENSATION	\$249,298.00	\$202,857.00	\$234,782.00
(41.) EMPORARY EMPLOYMENT	\$2,500.00	\$938.00	\$2,400.00
(42.) TAXES-PAYROLL	\$19,483.00	\$15,886.00	\$18,328.00
(43.) TAXES-UNEMP COMP	\$220.00	\$2,820.00	\$2,822.00
(44.) TAXES-LICENSES	\$75.00	\$62.00	\$75.00
(45.) TELEPHONE	\$25,000.00	\$20,790.00	\$24,000.00
(46.) TRAVEL AND BUS EXPENSE	\$15,000.00	\$14,413.00	\$14,990.00
(47.) EQUIPMENT MAINTENANCE	\$5,000.00	\$2,904.00	\$5,000.00
(48.) EMPLOYEE TRNG/DVLP	\$3,000.00	\$1,299.00	\$4,000.00
(49.) MEETING EXPENSE	\$2,300.00	\$7,029.00	\$3,900.00
(50.) MISCELLANEOUS EXP.	\$500.00	\$0.00	\$500.00
<b>SUBTOTAL-CATEGORY V</b>	<b>\$614,552.00</b>	<b>\$508,048.00</b>	<b>\$621,942.00</b>
<b>TOTAL EXPENSES</b>	<b>\$13,141,667.00</b>	<b>\$13,080,200.00</b>	<b>\$13,852,415.00</b>
<b>REVENUE LESS EXPENSES</b>	<b>(\$101,416.00)</b>	<b>\$128,758.00</b>	<b>(\$84,416.00)</b>