



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL
TEN FRANKLIN SQUARE
NEW BRITAIN, CT 06051

DOCKET NO. 96-09-13RE04 **GENERAL IMPLEMENTATION OF PUBLIC ACT
96-150, AN ACT IMPLEMENTING THE
RECOMMENDATIONS OF THE TASK FORCE TO
STUDY ENHANCED 9-1-1 TELECOMMUNICATIONS
SERVICES ESTABLISHED BY PUBLIC ACT 95-318 -
2001**

May 30, 2001

By the following Commissioners:

Jack R. Goldberg
Linda Kelly Arnold
John W. Betkoski, III

DECISION

DECISION

I. INTRODUCTION

A. SUMMARY

Pursuant to §16-256b of the General Statutes of Connecticut (Conn. Gen. Stat.) the Department of Public Utility Control has initiated this docket to conduct an annual proceeding to determine the monthly fee that will be assessed on each local telephone service and commercial mobile radio service subscriber to fund the development and administration of the state's E-911 program. After review of the Department of Public Safety's (Public Safety) proposed E-911 program budget for fiscal year 2001/2002, the Department of Public Utility Control (Department) has determined that Connecticut local exchange and commercial mobile radio service subscribers should be assessed an amount ranging from \$.28 to \$.06, depending upon the number of access lines or telephone numbers subscribed, effective June 1, 2001.

B. BACKGROUND

In accordance with §16-256b of the Conn. Gen. Stat. and the provisions of Regulations of Connecticut State Agencies (Conn. Agencies Regs.), §§28-24-1 through 28-24-11, the Department in conjunction with Public Safety directed all local exchange companies, (LECs), competitive local exchange carriers, (CLECs) and commercial mobile radio service (CMRS) providers (collectively, the Companies) to provide their total number of access lines and active telephone numbers in service as of January 1, 2001. The Companies were also directed to provide the number of customers subscribing to multiple lines/telephone numbers. Pursuant to Conn. Agencies Regs. §28-24-10(h), Public Safety was required to submit to the Department its annual operating budget for the state's Enhanced Emergency 9-1-1 (E-911) program. Public Safety Budget filed with the Department on March 30, 2001. This information is necessary to determine the funds for the Enhanced 911 Telecommunications Fund to be used to pay for the administration of the state's E-911 program by Public Safety and the Office of Statewide Emergency Telecommunications.

C. CONDUCT OF PROCEEDING

By Notice of Hearing dated April 11, 2001, the Department held a public hearing on May 2, 2001, at its offices, Ten Franklin Square, New Britain, Connecticut 06051, at which time the hearing in this matter was closed. Pursuant to Conn. Gen. Stat. §§ 16-2(c) and 16-8, a member of the Department's staff served as Hearing Examiner.

The Department issued a Draft Decision in this docket on May 17, 2001. All parties were provided an opportunity to file written exceptions on the Draft Decision.

D. PARTIES

The Department recognized the Department of Public Safety, P.O. Box 2794, Middletown, Connecticut 06457-9294; the Office of Consumer Counsel, Ten Franklin

Square, New Britain, Connecticut 06051; and all LECs, CLECs and CMRS providers currently providing telecommunications services as parties to this proceeding.

II. DEPARTMENT ANALYSIS

Pursuant to Conn. Agencies Regs. §§28-24-10(h), Public Safety provided the Department with its E-9-1-1 surcharge requirements of \$9,633,898 for fiscal year (FY) 01/02. Additionally, Public Safety proposed to carryover \$1,695,456 in unused expenditures from FY 00/01 to FY 01/02. This results in an operating budget of \$11,329,355.01 for the FY 01/02. The allocation of the budget is detailed as follow:

1. E-9-1-1 Equipment/E-9-1-1 Enhancements

Enhancements to the E-9-1-1 system will be phased into existence over two separate fiscal years. The first enhancements involve Phase II of Federal Communications Commission Docket (FCC) 94-102, Revisions of the Commission's Request to Ensure Compatibility with Enhanced 911 Emergency Calling Systems, that pertain to wireless calls. Public Safety Answering Points (PSAPs) require mapping software, which the wireless providers will transmit to the PSAP to locate wireless 9-1-1 callers. New equipment and enhancements for existing equipment and software changes are estimated to be \$861,000 for FY01/02.

2. Regional Emergency Telecommunications Center Funding

Funding for the Regional Emergency Telecommunications Centers is based upon the formula contained in Conn. Agencies Regs. §28-24-3. The variables incorporated into the formula result in exact amounts required for this budget category. FY 01/022 requirements are \$1,655,588.

3. Funding for Cities with More than 70,000 Population

Funding for the seven cities in Connecticut with populations in excess of 70,000 is determined by the formula provided in Conn. Agencies Regs. §28-24-3. Public Safety calculates this amount to be \$788,927.

4. Funding for New Regional Centers

Public Safety states that this category can only be estimated. No group of municipalities, currently operating as stand alone public safety answering points, has made a firm commitment to form a regional emergency communications center. The FY 00/01 cost for the estimated number of potential centers in the CRCOG region is \$285,000 under the category of new regional centers. Public Safety projects a carryover of the same amount from last year budget which results in a budget requirement of \$0 for the FY 01/02

5. Network Costs (Wireline/Wireless/database)

According to Public Safety, this category includes the cost incurred by SNET for network and database services for the E-911 program. SNET's estimated costs for the FY 01/02 are \$3,630,586. According to Public Safety, these costs include ISDN lines, computer services, tandem connections, data base management and support services. The estimated costs developed by SNET are based upon an incremental cost study methodology approved by the June 29, 2000 Decision in Docket No. 00-03-19, Application of The Southern New England Telephone Company's Studies of Unbundled Network Elements Non-Recurring Costs and the June 29, 2000 Decision in Docket No. 00-02-01, Application of The Southern New England Telephone Company for Approval of Cost Studies for Unbundled Network Elements. Phase 1 wireless costs are estimated at \$300,000, and recurring annual charges are estimated at \$500,000 for a total of \$800,000. FCC Docket 94-102, Phase II implementation costs, including purchase of hardware and software to facilitate location of wireless callers, is \$1,050,000. The total network costs including wireline, wireless and database management costs is \$5,480,586. Public Safety projects a carryover of \$800,000 from FY 00/01 which will reduce the requirements for the FY 01/02 to \$4,680,586.

6. Transition Grants

Public Safety states that this category also can only be estimated because the number of requests for grants is unknown at this time. However, Public Safety believes that some towns and cities will apply for planning grant money to initiate the process of forming a regional communications center and that some will also seek transition grants. The amount of \$600,000 has been included in the budget for this item. However, Public Safety projects a carryover from the previous year's budget that results in a budget requirement of \$0 for this item.

7. Coordinated Emergency Medical Direction (CEMD) Subsidy

Each municipality in the state will receive a subsidy for Coordinated Emergency Medical Direction (CEMED) services. This subsidy starts at \$0.15 per capita. The total amount of the subsidy for FY01/02 is \$492,302. Six towns did not designate a CEMED provider for FY 00/01, resulting in a \$10,455.60, carryover that will be applied to the FY01/02 budget reducing current requirements to \$481,849.

8. Office of Statewide Emergency Telecommunications

The cost for the Office of Statewide Emergency Telecommunications for the FY 01/02 is \$915,947.

9. New Legislative Mandates

The passage of legislation, House Bill 5287, relating to Emergency Medical Services (EMS) data collection, mandated Emergency Medical Dispatch (EMD)

and raising the CMED credit, requires additional funding. The annual cost is intended to facilitate the collection of EMS data within the Department of Public Health, and for the FY01/02 is \$250,000.

Conn. Agencies Regs. §28-24-10(c) prescribes a progressive wireline and wireless schedule that shall be used by the Department when calculating the E-911 monthly assessment for customer accounts with multiple lines. Conn. Agencies Regs. §28-24-10(c) provides as follows:

- (1) If the number of access lines equals one, then the assessment factor shall be 1.0;
- (2) If the number of access lines equals two, then the assessment factor shall be .75;
- (3) If the number of access lines equals three, then the assessment factor shall be .67;
- (4) If the number of access line equals four or five, then the assessment factor shall be .6;
- (5) If the number of access lines is six, seven, eight, nine or ten, then the assessment factor shall be .5;
- (6) If the number of access lines is equal to or greater than eleven but less than 26, then the assessment factor shall be .4;
- (7) If the number of access lines is equal to or greater than 26 but less than 51, then the assessment factor shall be .33;
- (8) If the number of access lines is equal to or greater than 51 but less than 100, then the assessment factor shall be .25; and
- (9) If the number of access lines is equal to or greater than 100, then the assessment factor shall be .2.

On April 11, 2001, the Department issued interrogatories to telephone and telecommunications companies providing local service that have active E-911 billable telephone numbers. The majority of companies responded; certain companies did not. Any Company that did not provide responses to the Department's interrogatories will be subject to the provisions of Conn. Gen. Stat. §16-247g(b) and will be required to show cause why it should not be subject to fine and/or why its Certificate of Public Convenience and Necessity (CPCN) should not be suspended or revoked. In addition, those companies that did not respond will be assessed at the single access line rate.

In accordance with Conn. Agencies Regs. §28-24-10(a), on and after June 1, 2001, each telephone and telecommunications company providing local telephone service and each CMRS provider shall assess a fee against each of its subscribers based on the above multi-line assessment schedule. Employing this schedule in conjunction with Public Safety's E-911 FY 01/02 budget of \$9,633,898.56, requires that all local exchange service and CMRS subscribers be assessed a portion of the State's E-911 program expenses in the following amounts:

<u>Wireless Telephone Numbers/Access Lines</u>	<u>Per-Line Assessment</u>
1	\$0.28
2	\$0.21
3	\$0.19
4 or 5	\$0.17
6 - 10	\$0.14
11 - 25	\$0.11
26 - 50	\$0.09
51 - 99	\$0.07
100+	\$0.06

III. FINDINGS OF FACT

1. Each LEC, CLEC, and CMRS provider shall assess subscribers a fee to fund the State's E-911 program.
2. Public Safety's E-911 Program budget for the FY 01/02 is \$11,329,355., but the requirement to be funded has been reduced to \$9,633,898 due to carryovers from the current year amounting to \$1,695,456.
3. The majority of wireline service providers and wireless service providers have provided their respective access lines or telephone numbers.

IV. CONCLUSION AND ORDERS

A. Conclusion

Pursuant to Conn. Gen. Stat. §16-256b and Conn. Agencies Regs. §§28-24-1 and 28-24-11, the Department and Public Safety have prescribed an E-911 funding assessment schedule. All local exchange companies, CLECs and commercial mobile radio service providers are required to assess their respective subscribers based on the per-line assessment schedule above ranging from \$.28 to \$.06, depending upon the number of access lines subscribed. The Companies that did not respond to the Department's interrogatories will be assessed the single line rate.

B. Orders

For the following Orders, please submit an original and 10 copies of the requested material, identified by Docket Number, Title and Order Number to the Executive Secretary.

1. Beginning on or after June 1, 2001, each LEC, CLEC and CMRS provider shall assess each subscriber a monthly fee as prescribed above.
2. No later than September 30, 2001, and quarterly thereafter, all telephone or telecommunications companies providing local telephone service and CMRS shall separately report to the Department pursuant to protective order, the monthly payments made to the State's Enhanced 911 Telecommunications Fund for the previous three months.

DOCKET NO. 96-09-13RE04 GENERAL IMPLEMENTATION OF PUBLIC ACT 96-150, AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE TASK FORCE TO STUDY ENHANCED 9-1-1 TELECOMMUNICATIONS SERVICES ESTABLISHED BY PUBLIC ACT 95-318 - 2001

This Decision is adopted by the following Commissioners:

Jack R. Goldberg

Linda Kelly Arnold

John W. Betkoski, III

CERTIFICATE OF SERVICE

The foregoing is a true and correct copy of the Decision issued by the Department of Public Utility Control, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.

Louise E. Rickard
Acting Executive Secretary
Department of Public Utility Control

6/01/01

Date