

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE REVIEW OF THE ONGOING FUNDING LEVELS FOR THE TELECOMMUNICATIONS RELAY SERVICES PROGRAM.**

**CASE NO.  
GNR-T-95-4  
  
ORDER NO.  
26194**

This Order increases the telecommunications relay services (TRS) surcharge amount from \$.01/month/access line (1¢/month/access line) for telephone corporations offering local exchange service to \$.03/month/access line (3¢/month/access line), effective for service provided on and after November 1, 1995. It further increases the surcharge of \$.0002/intrastate billed minute (.2 mills/intrastate billed minute) for telephone corporations offering intrastate MTS/WATS minutes to \$.00045/intrastate billed minute (.45 mills/intrastate billed minute), effective for service provided on and after November 1, 1995.

**BACKGROUND**

The Americans with Disabilities Act (ADA) requires all telephone companies engaged in the business of interstate or intrastate telecommunications services to make TRS available to facilitate communications with or by persons who have hearing or speech impairments. See 47 U.S.C. § 225.

In response to this federal requirement, the Idaho Legislature in 1992 enacted Chapter 13, Title 61 of the *Idaho Code*-- Telecommunications Relay Services. This chapter requires the Idaho Public Utilities Commission to contract with an administrator for the telecommunications relay services program, who in turn contracts with a provider of TRS for a program that is used for communications with or by all hearing-impaired and speech-impaired persons in the state. The TRS program is funded by payments from telephone corporations providing service in Idaho. See *Idaho Code* § 61-1306(5).

The first TRS provider for Idaho was elected in September of 1992 and service began on December 1, 1992. The Commission established initial funding levels for the Idaho TRS program by Order No. 24525, issued October 8, 1992. That Order required all telephone corporations providing local exchange service in Idaho to pay \$.12/month/access line (12¢/month/access line), and further required all telephone corporations providing intrastate MTS/WATS service to pay \$.0016/intrastate billed minute (1.6 mills/intrastate billed minute), to the TRS Administrator beginning December 1, 1992. The surcharges were based upon a first-year cost estimate of \$1,300,000 for the Idaho TRS program and included a small reserve amount as a precaution against initial underfunding.

In late February 1993, the TRS Administrator recommended that the Commission reduce the TRS funding level to stop or slow the growth in the TRS fund's balance. Based upon the report of the TRS Administrator and the recommendation of the telephone industry advisory committee for TRS, we initiated Case No. GNR-T-93-8 on April 5, 1993 by Order No. 24814. That Order reduced the initial funding levels to \$.06/month/access line (6¢/month/access line) for providers of local exchange service and reduced the funding level for telephone corporations providing intrastate MTS/WATS service to \$.0008/intrastate billed minute (.8 mills/intrastate billed minute). The effective date of this interim funding level was for service offered on and after April 1, 1993. At the conclusion of Case No. GNR-T-93-8, the Commission issued Order No. 25025, further reducing the surcharge rates effective August 1, 1993 to draw down the surplus that had developed in the fund. Rates were set at \$.01/month/access line for local service and \$.0002/intrastate billed minute and have remained unchanged since that time.

**THE COMMISSION'S DECISION**

The TRS 1994 annual report was filed with the Commission on January 13, 1995. The Administrator reported that income from the interexchange companies (IXCs) and local exchange companies (LECs) is less than the amount needed to keep the service solvent for the next year. The annual report recommended increases in the surcharge amounts in the fourth quarter of 1995. According to Staff, the current draw down will leave approximately \$110,000 in

the account as of November 1995. Staff recommends increasing the surcharge to \$.03/month/access line for local exchange companies and \$.0004/intrastate billed minute for intrastate MTS/WATS minutes.

The Commission's goal of reducing the accumulated balance in the TRS fund has been achieved. We must now set the surcharges at levels that will be sufficient for the operation of the TRS without exceeding its reasonably foreseeable revenue needs. The changing usage level makes this more difficult. Since TRS was implemented, there has been a substantial growth in TRS usage. The service began operation with approximately 12,000 conversation minutes of usage in December of 1992 and now is averaging over 40,000 minutes of conversation time per month. Growth is expected to continue and the surcharge levels recommended by the Staff have taken that into account. We find the Staff recommended surcharge amounts to be just, reasonable and necessary to continue the operation of the TRS.

## **ORDER**

IT IS THEREFORE ORDERED that the TRS funding obligation of telephone corporations providing local exchange service in Idaho be \$.03/month/access line (3¢/month/access line) effective November 1, 1995, for all local exchange service offered on and after that date.

IT IS FURTHER ORDERED that the TRS funding obligation of telephone corporations providing intrastate MTS/WATS service in Idaho be \$.00045/intrastate billed minute (.45 mills/intrastate billed minute) effective November 1, 1995, for all MTS/WATS service offered on and after that date.

THIS IS FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in Case No. GNR-T-95-4 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in Case No. GNR-T-95-4. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this day of October 1995.

RALPH NELSON, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

VLD/O:GNR-T-95-4.WS

**\*\*NOTE\*\***

This Order has been retyped for record-keeping purposes. It differs slightly from the original Order signed and mailed. The difference is in line spacing only, content remains the same. The service date of this Order was October 16, 1995.