

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 960598-TP  
ORDER NO. PSC-99-0902-PAA-TP  
ISSUED: May 10, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING BUDGET

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 a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

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 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 local exchange telephone companies, was named by the Commission to serve as the TASA administrator. Currently, FTRI has over 172,000 Floridians in its client data base.

DOCUMENT NUMBER-DATE

05854 MAY 10 8

PSC-RECORDS/REPORTING

ORDER NO. PSC-99-0902-PAA-TP  
DOCKET NO. 960598-TP  
PAGE 2

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 required for the 1996-97 fiscal year. Accordingly, the surcharge was increased back to \$.12 July 1, 1996, and remained at \$.12 for the 1997-98 fiscal year. Because of an increase in FTRI's surplus account the surcharge was reduced to \$.11 for the 1998-99 fiscal year.

At the May 4, 1999 agenda, Florida Telecommunications Relay, Inc.'s proposed budget (Attachment A) for fiscal year 1999-2000 was approved effective July 1, 1999.

Local exchange telephone companies and alternative local exchange companies will be ordered to assess a \$.09 surcharge beginning July 1, 1999.

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.

We believe the \$.09 surcharge is sufficient to fund FTRI's planned programs for the upcoming fiscal year. The budget projects total revenues at a \$.09 surcharge to be \$11,496,215 and total expenses to be \$12,032,249. The shortfall will be handled through a transfer from the surplus account which is expected to be approximately \$6,300,000 at the end of the current (1998-99) fiscal year.

FTRI believes that reducing the surcharge to \$.09 will enable it to maintain its current level of service (plus growth) while reducing the surplus account. We believe reducing the surcharge to \$.09 is appropriate.

ORDER NO. PSC-99-0902-PAA-TP  
DOCKET NO. 960598-TP  
PAGE 3

Based on the foregoing, it is

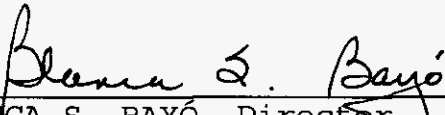
ORDERED by the Florida Public Service Commission that the attached budget for fiscal year 1999-2000 is approved. It is further

ORDERED that the local exchange telephone companies start assessing a \$.09 surcharge beginning July 1, 1999. It is further

ORDERED that 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 Docket No. 960598-TP shall remain open for the duration of the current contract with MCI.

By ORDER of the Florida Public Service Commission, this 10th day of May, 1999.

  
\_\_\_\_\_  
BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( 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.

ORDER NO. PSC-99-0902-PAA-TP  
DOCKET NO. 960598-TP  
PAGE 4

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 May 31, 1999.

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 1999-1999	FTRI BEST VIEW ACTUAL 1998 - 1999	FTRI PROPOSED BUDGET 1999 - 2000
<b>OPERATING REVENUE</b>			
(1.) SURCHARGES	\$13,313,216	\$13,253,652	\$11,223,433
(2.) INTEREST INCOME	\$201,684	\$264,360	\$272,782
(3.) SERVICE/OTHER	\$0.00	\$0.00	\$0.00
<b>TOTAL OPERATING REVENUE</b>	<b>\$13,514,900</b>	<b>\$13,518,012</b>	<b>\$11,496,215</b>
<b>OPERATING EXPENSES</b>			
<b>CATEGORY I - RELAY SERVICES</b>			
(5.) DPR PROVIDER	\$9,307,940	\$7,445,823	\$7,081,113
<b>SUBTOTAL-CATEGORY I</b>	<b>\$9,307,940</b>	<b>\$7,445,823</b>	<b>\$7,081,113</b>
<b>CATEGORY II - EQUIPMENT &amp; REPAIRS</b>			
(6.) TDD EQ	\$425,200	\$210,230	\$266,000
(7.) LARGE PRINT TDD'S	\$5,010	\$10,020	\$10,020
(8.) VOCHCO-TDD	\$267,900	\$44,538	\$22,325
(9.) VCO-TELEPHONE	\$134,000	\$57,955	\$64,320
(10.) DUAL SENSORY EQ	\$16,675	\$14,370	\$21,350
(11.) VCP HEARING IMP	\$1,762,680	\$1,590,348	\$1,651,680
(12.) VCP SPEECH IMP	\$18,455	\$5,250	\$21,341
(13.) IN-LINE AMPLIFIER	\$23,805	\$319	\$0.00
(14.) ARS SIGNALING EQ	\$397,575	\$383,480	\$470,891
(15.) VRS SIGNALING EQ	\$38,070	\$44,509	\$50,760
(16.) TRS SIGNALING EQ	\$1,080	\$2,400	\$2,160
(17.) TELECOMM EQ REPAIR	\$140,614	\$218,196	\$205,288
<b>SUBTOTAL-CATEGORY II</b>	<b>\$3,231,064</b>	<b>\$2,591,416</b>	<b>\$2,786,335</b>
<b>CATEGORY III - EQUIPMENT DISTRIBUTION AND TRAINING</b>			
(18.) FRGHT/TELECOMM EQ	\$28,177	\$27,312	\$30,830
(19.) REGIONAL DIST CTRS	\$779,496	\$714,495	\$777,521
(20.) WORKSHOP EXPENSE	\$18,146	\$13,905	\$26,295
(21.) TRAINING EXPENSE	\$76,066	\$71,293	\$74,858
<b>SUBTOTAL-CATEGORY III</b>	<b>\$891,885</b>	<b>\$827,005</b>	<b>\$909,504</b>
<b>CATEGORY IV - OUTREACH</b>			
(22.) OUTREACH EXPENSE	\$187,020	\$63,500	\$486,520
<b>SUBTOTAL-CATEGORY IV</b>	<b>\$187,020</b>	<b>\$63,500</b>	<b>\$486,520</b>
<b>CATEGORY V - GENERAL &amp; ADMINISTRATION</b>			
(23.) ADVERTISING	\$400	\$3,490	\$3,000
(24.) ACCOUNTING/AUDITING	\$11,275	\$11,581	\$12,556
(25.) LEGAL	\$41,400	\$49,967	\$52,464
(26.) CONSULTATION	\$25,000	\$24,300	\$18,000
(27.) AUTO LEASE EXPENSE	\$4,800	\$0.00	\$0.00
(28.) BANK CHARGES	\$0.00	\$0.00	\$0.00
(29.) DUES/SUBSCRIPTIONS	\$1,000	\$1,822	\$2,325
(30.) OFFICE FURNITURE PURCHASE	\$1,500	\$2,324	\$2,500
(30A.) LESS: CAPITALIZED POR	\$0.00	\$0.00	\$0.00
(31.) OFFICE EQUIPMENT PURCHASE	\$28,500	\$11,320	\$31,700
(31A.) LESS: CAPITALIZED POR	\$0.00	\$0.00	\$0.00
(32.) DEPRECIATION	\$0.00	\$0.00	\$0.00
(33.) OFFICE EQUIPMENT LEASE	\$3,492	\$3,340	\$3,400
(34.) INSURANCE-HEALTH/LIFE/DISABILITY	\$76,376	\$58,296	\$95,711
(35.) INSURANCE-OTHER	\$3,021	\$2,994	\$3,257
(36.) OFFICE EXPENSE	\$4,586	\$4,716	\$4,810
(37.) POSTAGE	\$16,532	\$12,972	\$13,368
(38.) PRINTING	\$23,210	\$25,790	\$26,305
(39.) RENT	\$58,927	\$53,787	\$63,039
(40.) RETIREMENT	\$32,278	\$27,550	\$34,656
(41.) EMPLOYEE COMPENSATION	\$280,844	\$243,802	\$306,694
(42.) TEMPORARY EMPLOYMENT	\$2,400	\$3,592	\$10,380
(43.) TAXES-PAYROLL	\$21,852	\$18,651	\$23,462
(44.) TAXES-UNEMP COMP.	\$3,450	\$4,123	\$4,158
(45.) TAXES-LICENSES	\$65	\$65	\$65
(46.) TELEPHONE	\$28,092	\$27,963	\$28,523
(47.) TRAVEL AND BUS EXPENSE	\$17,750	\$17,776	\$18,132
(48.) EQUIPMENT MAINTENANCE	\$5,000	\$3,037	\$4,200
(49.) EMPLOYEE TRNG/OVLP	\$1,800	\$396	\$1,992
(50.) MEETING EXPENSE	\$6,430	\$2,158	\$4,080
(51.) MISCELLANEOUS EXP.	\$250	\$0.00	\$200
<b>SUBTOTAL-CATEGORY V</b>	<b>\$700,330</b>	<b>\$613,790</b>	<b>\$768,977</b>
<b>TOTAL EXPENSES</b>	<b>\$14,328,238</b>	<b>\$11,541,733</b>	<b>\$12,632,248</b>
<b>REVENUE LESS EXPENSES</b>	<b>(\$813,338)</b>	<b>\$1,976,279</b>	<b>(\$836,034)</b>