

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for submission of proposals for relay service, beginning in June 2000, for the hearing and speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

DOCKET NO. 991222-TP
ORDER NO. PSC-02-0786-FOF-TP
ISSUED: June 10, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY

ORDER APPOINTING ADVISORY COMMITTEE MEMBERS, APPROVING FLORIDA
TELECOMMUNICATIONS RELAY, INC.'S BUDGET AND
ADJUSTING RELAY SURCHARGE

The Telecommunications Access System Act of 1991 (TASA), sections 427.701-427.708, Florida Statutes, provides funding for the distribution of specialized telecommunications devices and the provision of intrastate telecommunications 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. Under TASA, this Commission has the responsibility to review the amount of the surcharge at least annually and adjust the amount as necessary to assure available funds to achieve TASA's goals. TASA provides that the Commission may raise, lower or suspend the surcharge, taking into account amounts needed to support TASA's services and any excess funds accumulated. See Section 427.704(4), Florida Statutes.

We have both raised and lowered the surcharge several times over the past decade. For example, we reduced the surcharge from \$.12 to \$.11 for the 1998-99 fiscal year, from \$.11 to \$.09 in 1999-2000, and from \$.09 to \$.08 in 2000-2001, to reduce the balance in the TASA administrator's surplus account. For the 2001-

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2002 fiscal year, we increased the surcharge to \$.12 to cover increased annual expenses from the implementation of Turbo Code, the maintenance of certain equipment, the addition of Regional Distribution Centers (RDCs), and increased outreach programs.

We usually review the surcharge level when we consider the proposed annual budget of the administrator of Florida's telecommunications access system, Florida Telecommunications Relay, Inc. (FTRI). FTRI is a non-profit corporation formed by the local exchange telephone companies and named by the Commission to serve as the TASA administrator. Currently, FTRI has over 234,000 Floridians in its client data base.

At our May 21, 2002 Agenda Conference we addressed several matters relating to our responsibilities under TASA: the appointment of new members to the TASA Advisory Committee; the approval of FTRI's proposed budget; and the adjustment of the surcharge for the 2002-03 fiscal year. Our decision on these matters is set forth below.

The TASA Advisory Committee

Under TASA, the advisory committee provides the expertise, experience, and perspective of persons who are hearing impaired or speech impaired to the Commission and to FTRI during all phases of the development and operation of the telecommunications access system. The advisory committee also advises the Commission and FTRI on any matter relating to the quality and cost-effectiveness of the telecommunications relay service and the distribution of specialized telecommunications devices.

Section 427.706, Florida Statutes, provides that the advisory committee may consist of up to ten members recommended by various organizations and named to the committee by the Commission. Under the authority granted to us in section 427.706, we hereby appoint Mr. Stephen Hardy, Mr. Chris Wagner, and Mr. Harry Anderson to the committee.

Currently the Advisory Committee is comprised of the following members:

RECOMMENDING ORGANIZATION	NAME OF MEMBER
Advocacy Center for Persons with Disabilities, Inc.	Steve Howells
Deaf Service Center Association	Jerry Connor
Florida Telecommunications Industry Association	Susan Langston Jim Smith
Self Help for the Hard of Hearing	Shirley Jones

TASA provides that the Florida Association of the Deaf (FAD) may recommend two individuals to the Advisory Committee. Mr. Hardy and Mr. Wagner both represent FAD. TASA also provides that the Coalition for Persons with Dual Sensory Disabilities may recommend one person to the Advisory Committee. Mr. Anderson, who was a committee member in the past, represents the Coalition. We believe that the appointment of Messrs. Hardy, Wagner, and Anderson is consistent with the requirements of section 427.706, Florida Statutes, and we believe these appointees will provide valuable assistance to the committee, FTRI and the Commission.

FTRI's Proposed Budget and the TASA Surcharge

FTRI's proposed budget for fiscal year 2002-03 is attached to this Order as Attachment A. We approve it, and we approve a reduction in the surcharge to \$.08 as sufficient to fund FTRI's planned programs for the upcoming fiscal year. The budget projects total revenues at a \$.08 surcharge to be \$10,630,671 and total expenses to be \$15,130,834. The shortfall of approximately \$4.5 million will be handled through a transfer from the surplus account, which it is estimated will be \$5,731,032 at the end of the current (2001-02) fiscal year. Reducing the surcharge to \$.08 will enable FTRI to maintain its current level of service (plus growth) while reducing the surplus account. FTRI estimates that the surplus account balance will be reduced to \$1,230,869 at the end of the 2002/2003 fiscal year. This is an adequate surplus balance.

As part of its proposed budget, FTRI has allocated \$150,000 for the purchase and distribution of a new piece of telecommunications equipment known as the TeliTalk Speech Aid

(TeliTalk)¹. The TeliTalk is specifically designed to meet the needs of approximately 3,000 speech impaired people in Florida who have had laryngectomies. The TeliTalk Speech Aid is a telephone unit with an electro larynx device attached. The electro larynx device will not function unless it is plugged into the telephone unit. We find that the TeliTalk meets the statutory definition of "specialized telecommunications device²" and should be purchased and distributed by FTRI. We approve the \$150,000. allocation for purchase of the equipment in FTRI's budget.

As stated above, we approve FTRI's budget for fiscal year 2002-03 as proposed, and we approve a reduction of the surcharge to \$.08 per access line. Local exchange telephone companies and alternative local exchange companies should be ordered to assess an \$.08 surcharge beginning July 1, 2002.

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 therefore,

ORDERED by the Florida Public Service Commission that Mr. Stephen Hardy, Mr. Chris Wagner, and Mr. Harry Anderson are hereby appointed to the Telecommunications Access System Advisory Committee. It is further

ORDERED that the attached Florida Telecommunications Relay, Inc. budget for fiscal year 2002-2003 is approved. It is further

¹The TeliTalk is currently in the final stages of development. FTRI has budgeted for the purchase of 250 units.

²Specifically, "specialized telecommunication device" means a TDD, a volume control handset, a ring signaling device, or any other customer premises telecommunications equipment specifically designed or used to provide basic access to telecommunications services for a hearing impaired, speech impaired, or dual sensory impaired person. (Chapter 427.703(11), Florida Statutes)

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ORDERED that the local exchange telephone companies shall assess a \$.08 surcharge beginning July 1, 2002. 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. 991222-TP shall remain open for the duration of the current relay contract with Sprint.

By ORDER of the Florida Public Service Commission this 10th day of June, 2002.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records and Hearing
Services

(S E A L)

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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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services 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 after the issuance 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.

ATTACHMENT A

	FPSC Approved Budget 2001/2002	FTRI BEST VIEW ACTUAL 2001/2002	FTRI PROPOSED BUDGET 2002/2003
OPERATING REVENUE			
1) Surcharges	\$15,472,252	\$15,680,806	\$10,584,544
2) Interest Income	144,728	133,259	46,127
3) Service/Other	0	0	0
TOTAL OPERATING REVENUE	\$15,616,980	\$15,814,065	\$10,630,671
OPERATING EXPENSES			
Category I - Relay Services			
4) DPR Provider	\$9,224,035	\$8,867,376	\$8,535,912
SUBTOTAL-Category 1	\$9,224,035	\$8,867,376	\$8,535,912
Category II -			
5) TDD Equipment	\$423,256	\$372,000	396,200
6) Large Print TDDs	19,332	5,370	5,370
7) VCH/HCO-TDD	48,871	73,062	73,062
8) VCO Telephone	38,590	39,465	49,615
9) Dual Sensory Equipment	35,360	32,025	28,130
10) VCP Hearing Impaired	3,048,817	2,253,401	2,284,814
11) VCP Speech Impaired	11,760	13,671	13,524
12) TeliTalk Speech Aid		0	150,000
13) In-Line Amplifier	4,179	6,996	6,983
14) ARS Signaling Equip.	303,117	300,631	301,530
15) VRS Signaling Equip.	66,603	72,184	72,414
16) TRS Signaling Equip.	2,685	1,440	1,440
17) Telecomm Equip. Repair	54,984	124,690	87,566
SUBTOTAL-Category II	\$4,057,554	\$3,294,935	3,470,648
Category III-Equipment			
18) Freight-Telecomm Equip.	\$37,061	\$37,838	43,486
19) Regional Distr. Centers	1,375,248	966,193	1,050,797
20) Workshop Expenses	39,940	0	36,837
21) Training Expenses	117,624	86,913	68,472
SUBTOTAL-Category III	\$1,569,873	\$1,090,944	1,199,592
Category IV-Outreach			
22) Outreach Expense	\$901,010	\$717,024	\$926,550
SUBTOTAL- Category IV	\$901,010	\$717,024	\$926,550

	FPSC Approved Budget 2001/2002	FTRI BEST VIEW ACTUAL 2001/2002	FTRI PROPOSED BUDGET 2002/2003
Category V - General & Administrative			
23)Advertising	\$2,700	\$930	\$1,386
24)Accounting/Auditing	14,900	14,375	14,500
25)Legal	82,859	72,065	72,000
26)Computer Consultation	8,550	9,002	4,190
27)Bank Charges	1,560	1,645	1,740
28)Dues & Subscriptions	2,442	1,879	2,151
29)Office Furniture	7,306		9,523
30)Office Equipment	39,987	36,413	24,911
31)Office Equipment Lease	4,238	3,968	4,719
32)Insurance-	155,853	93,505	151,722
33)Insurance-Other	4,628	4,718	4,876
34)Office Expense	9,132	7,495	12,400
35)Office moving expense	0	2,028	0
36)Postage	20,608	12,650	18,221
37)Printing	5,128	2,137	2,900
38)Rent	84,353		77,270
39)Utilities	0	1,706	5,119
40)Retirement	48,324	39,626	49,403
41)Employee Compensation	427,648	352,932	437,194
42)Temporary Employment	7,820	30,930	14,560
43)Taxes-Payroll	32,715	26,999	33,445
44)Taxes-Unempl. Comp	914	535	597
45)Taxes-Licenses	62	62	62
46)Telephone	38,949	31,928	21,053
47)Travel & Business	24,500	15,870	21,000
48)Equip. Maint.	6,767	3,856	6,120
49)Employee Training/Dev.	5,040	2,730	4,210
50)Meeting Expense	3,430	2,037	2,660
51) Misc. Expense	200		200
SUBTOTAL-Category V	\$1,040,613	\$843,449	998,132
TOTAL EXPENSES	16,793,085	14,813,728	15,130,834
REVENUE LESS EXPENSES	(1,176,105)	1,000,337	(4,500,163)