

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Telecommunications) DOCKET NO. 910496-TP
Access System Act of 1991) ORDER NO. PSC-94-0704-FOF-TP
_____) ISSUED: June 8, 1994

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER EXTENDING
CONTRACT WITH MCI TELECOMMUNICATION, INC., NAMING
NEW ADVISORY COMMITTEE MEMBER,
INCREASING SURCHARGE AND FTRI 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 interested are substantially affected files a petition for a 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 of the distribution of specialized telecommunications equipment for the 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. The federal Americans with Disabilities Act (ADA) required telephone companies to develop a relay system for both interstate and intrastate calls by July of 1993; however, TASA mandated that a statewide telecommunications relay service be provided earlier, beginning June 1, 1992 in Florida. 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 intrastate relay service through the

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imposition of a surcharge of up to \$.25 per access line per month. (Bills for over 25 lines are billed for only 25 lines).

Beginning July 1, 1991, the LECs began collecting the initial \$.05 per access line surcharge pursuant to Order No. 24581 and the surcharge was increased to \$.10 per access line on July 1, 1992. After issuing a Request for Proposals (RFP), the Commission selected MCI to provide the relay service and MCI began providing service June 1, 1992 out of its relay center in Miami. Florida Telecommunications Relay, Inc. (FTRI) is a non-profit corporation owned by the thirteen local exchange telephone companies and was named by the Commission to serve as the TASA administrator.

I. EXTENSION OF CONTRACT

At the May 17, 1994, agenda conference, we decided that MCI's contract should be extended for a fourth year and the contract should now be amended to require that MCI address special needs callers in a specific manner and to require a revised procedure for explaining relay to callers.

The contract between the Florida Public Service Commission and MCI provides for an initial service period of three years beginning June 1, 1992 and extending through May 31, 1995. Under a provision of the contract entitled Term of Agreement, the contract states as follows:

The Commission may, in its sole discretion, renew this Agreement for a maximum of two (2) additional consecutive one (1) year periods immediately following expiration of the initial service term. If the Commission desires to exercise its option to renew this Agreement, the Commission must notify MCI in writing by no later than February 28, 1995 for the first one (1) year renewal and if the first year renewal option is exercised, by no later than February 29, 1996 for the second one (1) year renewal.

Quality of Relay Service

In determining whether to extend the current contract, we considered both the quality of the current service and the price being paid for that service. Regarding quality of service, the contract requires compliance with a set of standards and also provides specific operational guidelines. Staff has evaluated MCI's performance accordingly. In addition to staff's evaluations,

the National Association of the Deaf (NAD) has measured MCI's performance and rated the service satisfactory. Also, the Florida Association for the Deaf (FAD), at its 34th Biennial Convention in October 1993, passed a resolution of appreciation to Cecil Bradley, formerly of MCI, and Charles Estes of MCI for their pioneering efforts and capable leadership as well as the Florida Relay Service staff for providing fine relay service on a continuous basis. At its April 29, 1994 meeting, representatives of the Commission's Advisory Committee made positive comments on the quality of MCI's service and voted to recommend extending the contract. Based on staff's evaluations, the independent evaluation conducted by NAD, the FAD resolution, and the Advisory Committee's recommendation to extend the contract, staff believes MCI is providing good relay service that is responsive to the needs of its users.

Staff's evaluation of FRS's contract compliance included reviews of: 1) Ongoing Operator Training; 2) Operator Testing; 3) Operator Counseling & Shift Advisors; 4) Emergency Call Handling Procedures; 5) Confidentiality of Communications; 6) Disaster Recovery Plan; 7) Emergency Power and Operations; 8) Call Completions; 9) Procedures For Relaying Communications and, 10) Answer Time. To the extent that contract variances were discovered, staff and FRS have resolved those issues. Staff also notes that FRS recovered well from the Hurricane Andrew disaster.

Staff initiates monthly test calls to FRS to monitor call completion levels and answer time. Recent results are shown below.

<u>Month</u>	<u>No. Calls</u>	<u>Completed</u>	<u>Ans. W/I Obj.</u>	<u>Obj. Met</u>
Dec '93	102	99%	94.1%	Yes
Jan '94	58	100%	98.3%	Yes
Feb '94	68	100%	98.5%	Yes

During December, 1993, staff made an on-site evaluation of the operations of FRS. Our results are summarized below.

	<u>No. Calls</u>	<u>Completed</u>	<u>Ans. W/I Obj.</u>	<u>Obj. Met</u>
Eval	6519	99%	96.5%	Yes

Our on-site evaluation report recommended that FRS create the capability to observe both portions of relay calls in progress. Service observing is a tool commonly used by the industry to measure the performance of its staff. With this service observing capability, MCI and staff will be better able to measure calls for accuracy, spelling and courtesy. MCI has now installed this

capability for its own use and will make it available to staff during our future evaluations.

Staff also reviewed complaint levels. Two complaints have been logged by the Division of Consumer Affairs since March 1993. One in January 1994 was closed as not being justified. The other complaint in March 1993 was found to be somewhat justified and was closed after corrective action by FRS. The Division of Communications has handled very few complaints the last of which dealt with garbling which occurred when a caller used an ASCII TDD. With assistance from a local Deaf Service Center, the caller's equipment was programmed to properly interface with FRS and this complaint was satisfactorily resolved. Therefore, based on the data above and our ability to continue monitoring the quality of service provided by MCI, staff believes that MCI has provided and will continue to provide a satisfactory level of service to relay users.

Price of Relay Service

In regard to price, our staff noted that the original bid price of the other three initial bidders was from 11% to 60% higher than MCI's bid.

In a further effort to determine the reasonableness of the price which Florida is currently paying for relay service, staff conducted a survey of other state relay services. Eleven states were unable to or did not provide the price which they pay for relay service. Of the nineteen states responding with cost information (and excluding Alaska, which is a high cost state), the cost per completed outgoing in-state call ranged from \$3.20 to \$8.86 (average of \$5.43) with Florida's cost being \$5.58. After conducting the above survey, staff recognized that terminology varies substantially from state to state and staff attempted to verbally review the questionnaire with respondents to ensure a more uniform comparison between states. Because of the difference in terminology between states, we cannot be sure that the range of costs mentioned above are uniformly calculated. However, we do believe that they are representative of the costs being paid and that Florida's cost is at approximately the average of those costs provided by the respondents to the survey.

Special Needs

Special needs is one aspect of TASA which has been problematic since passage of the law. For most people with speech and hearing disabilities, relay service enables them to communicate very effectively with users of standard telephone instruments. However,

there is a portion of the population with hearing or speech disabilities that cannot make effective use of the basic relay system. Factors that might preclude such usage may be either temporary or permanent and may be either physical or mental.

In an effort to better understand this special needs population, MCI Telecommunications, Inc., provider of the Florida Relay Service, has funded a special needs relay pilot project by the Florida Deaf Service Center Association (DSCA). The DSCA final report, released March 31, 1994, involved thirteen deaf service centers with data being collected between August 1, 1993 and January 7, 1994. Of the entries recorded during the pilot study, 54% of the users lacked written language skills. The next five most common special needs reported included cognitive difficulty (14%), economic (10%), frail/elderly (6%), emotional (3%), technical/complex/comprehension (3%). Other special needs reported related to dexterity, communication disorders, visual impairment combined with inability to use braille, temporary conditions, being home-bound, low functioning, cerebral palsy, mobility impairment, illness, medication blurring vision, mental disorder, carpal tunnel syndrome, and Parkinson's disease.

During the pilot project, records were kept of the amount of time required for each special needs client call and the number of calls for each client visit to the Deaf Service Center. Per call preparation time during which the special needs call assistant determined who was to be called and generally what information was to be conveyed took 17 minutes and the actual relay call took 28 minutes for a total time of 45 minutes per special needs call. The average number of calls per visit was 1.8.

Another aspect of the pilot project was to attempt to train special needs users where possible to enable them to personally use the relay service. Training included use of a TDD, use of relay, TDD and telephone etiquette, and dialing instruction.

While the special needs pilot project identified many factors which preclude an individual with hearing or speech impairments from using the relay system, some of the factors identified did not relate to the Americans With Disabilities Act concept of functional equivalence between telecommunication users with and without hearing or speech impairments. For example, one of the special needs factors related to economic inability to afford a telephone line. Another dealt with complexity of a call. While such factors as these may make completion of a telephone call difficult for an individual, these factors exist even for individuals without hearing or speech impairments. These needs may ultimately need to

be addressed through various social service programs rather than through relay services.

The difficulty with dealing with special needs services has partly been definitional and partly contractual. The term "special needs" is not defined in the statute and has no generally accepted definition. In addition, MCI's proposal relied upon a third party to provide the special needs services and no third party has been willing to provide the undefined service at the level of funding offered by MCI.

The question that now arises is to what extent the contract should be amended to better define special needs services and develop a system of providers. At the April 29, 1994 Advisory Committee meeting, the Advisory Committee adopted a definition of Special Needs services and MCI proposed a procedure for funding providers of these services. We determine that the contract with MCI be amended to reflect these enhancements in the special needs area.

Explanation of Relay by Communications Assistant

The current contract requires a communications assistant (CA) to follow a set procedure in processing a relay call. As a part of that procedure, section C.13.d. of the RFP calls for the CA to:

"...Also at the beginning of each incoming call, the system shall ask the caller if he wants the system to explain relay to the called party and the system shall follow the caller's instructions. When the system is asked to explain relay to a hearing user, the system shall also type the explanation itself to the TDD user. Conversely, when the system is asked to explain relay to a TDD user, the system shall voice to the hearing user the explanation itself...."

When the RFP was developed, the Advisory Committee and staff felt this was a reasonable approach for processing relay calls. In fact, during the first year of service, this procedure may indeed have been best for relatively new users of relay service.

However, with the passage of time and the additional experience gained by users of the system, it is the recommendation of the staff and the Advisory Committee that the communications assistant no longer be required to inquire of the caller if he would like relay service explained to the called party. This extra

step in the call set-up process takes up time that is often unnecessary and slows down completion of the call. At the April 6, 1994 Advisory Committee meeting, MCI requested that the contract be formally changed to reflect this change in procedure. The Advisory Committee adopted a recommended change in the contract which would revise Section C.13.d to state as follows:

~~After greeting a calling party and receiving a number to be called and any needed billing information, the system shall ask the caller what initial communication should be relayed when the called party answers.~~

~~Also at the beginning of each incoming call, the system shall ask the caller if he wants the system to explain relay to the called party and the system shall follow the caller's instructions. When the system is asked to explain relay to a hearing user, the system shall also type the explanation itself to the TDD user. Conversely, when the system is asked to explain relay to a TDD user, the system shall voice to the hearing user the explanation itself. When explaining relay, the operator shall use the term "explaining relay" to either the TDD or non-TDD user to let them know what is happening, rather than transmitting all of the explanation.~~

The system shall not inform the telephone user that the TDD user is hearing impaired or speech impaired unless the TDD user asks the system to do so.

Since it appears that the current contract conditions (with the two amendments described above), the quality of service provided by MCI, and the current price are good and since we are unaware of anything to indicate that we could expect a significant improvement in our current situation by issuing a new RFP at this time, we thus conclude that the current contract with MCI be extended for one additional year (6/95-5/96).

II. APPOINTMENT OF ADVISORY COMMITTEE MEMBER

TASA allows the Advisory Committee to consist of up to eleven members recommended by various organizations and named to the committee by the Commission. The position on the Committee held by the nominee from the Florida Language Speech and Hearing Association (FLSHA) has not been filled by an active member for over a year.

On October 22, 1993 staff wrote to the Executive Director of FLSHA. The Executive Director of FLSHA indicated that FLSHA very much would like to have a member on the Advisory Committee and would search for a volunteer. After a five month search, by letter dated March 30, 1994, FLSHA has recommended that Mr. James I. Black, Jr. be named to the Advisory Committee. Mr. Black meets the TASA requirement of being a speech impaired person recommended by the Florida Language Speech and Hearing Association and staff recommends that he be named to the Advisory Committee. On May 17, 1994, we thus appointed Mr. Black to the Advisory Committee.

III. FTRI BUDGET AND INCREASE OF SURCHARGE

FTRI has proposed a fiscal year 1994-95 budget which includes an increase in the surcharge from \$.10 to \$.13 effective July 1, 1994. (See Attachment A)

At the May 31 Agenda Conference, we determined to instead approve a budget for FTRI, which would increase the surcharge from \$.10 to \$.12 effective November 1, 1994. (See Attachment A)

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 percent of the category from which the funds are being moved; greater movement would require prior Commission authorization.

We determined that the local exchange telephone companies should be ordered to increase the surcharge for relay services from \$.10 to \$.12 effective November 1, 1994. The companies should also include a bill stuffer notifying customers of this increase in the first bill containing the increase.

FTRI should include in its Annual Report to the Commission (due November 1, 1994), the following:

- * A cost analysis comparing the total cost of collecting a fee for distributed equipment to the hearing and speech impaired versus the total cost of conducting the current free loan program, and identification of any other factors which should be considered in collecting a fee for equipment.
- * A cost analysis comparing the total cost of a centralized equipment distribution program out of headquarters in Tallahassee versus the total cost of the 1994-95 budgeted expenditure for regional equipment distribution.

While staff is recommending a lower surcharge than proposed by FTRI, this does not mean that there should be any reduction in the programs FTRI plans to provide this fiscal year. Staff believes an 12¢ surcharge will be sufficient to fund FTRI's planned programs. It should be noted that FTRI's budget has been recommended by the Advisory Committee.

It is estimated, based on the most current information available, that the amount of cash surplus in FTRI's account will fall by \$1.45 million (from \$5.13 @ 7/1/93 to \$3.68 million on 6/30/94), as compared to the budgeted forecast which predicted a decrease in cash surplus of \$4.2 million (from \$5.4 to \$1.19 million). Consequently, FTRI will have underspent its 1993-94 fiscal year budget by an estimated \$2.75 million (\$4.2 less \$1.45 million) by June of 1994. The \$2.75 million represents a 20.12% variance from base budgeted expenditure (\$13.635 million) from the same fiscal year. This has raised some concern on behalf of staff as to the reasonableness of FTRI's projected 1994-95 fiscal year budget. (See Attachment A)

Consequently, staff believed it critical to analyze the actual cash receipts and cash disbursements of the administrator (FTRI) and the timing of those flows for budgeted fiscal year 1994-95, in determining the appropriate surcharge rate increase. The basic concept is to adjust for the timing of accrual and non-accrual items which under generally accepted accounting principles recognizes revenue and expense as they are incurred and not necessarily paid.

Staff examined the following cash flow scenarios:

- a. Forecast cash requirements with budgets as proposed;
- b. Forecast cash requirements with budgeted 1994-95 expenses and no modification to the current surcharge rate;

- c. Forecast cash requirements with a \$.01 increase in the surcharge rate effective 7/1/94, and no change in 1994-95 budgeted expenses;
- d. Forecast cash requirements with a \$.02 increase in the surcharge rate effective 11/1/94, and no change in 1994-95 budgeted expenses;
- e. Forecast cash requirements with a \$.02 increase in the surcharge rate effective 12/1/94, and no change in 1994-95 budgeted expenses;
- f. Forecast cash requirements with a \$.03 increase in the surcharge rate effective 2/1/95, and no change in 1994-95 budgeted expenses;

Using FTRI's proposed 1994-95 budget, staff developed a cash flow forecast for FTRI. According to FTRI's proposed budget the resulting year end cash reserve balance would be \$1,775,310.

We then considered increasing the surcharge rate from \$.10 to \$.12, effective 11/1/94. The strategy generates enough cash receipts to avoid negative cash flow during the fiscal year and should leave FTRI with approximately \$207,994 in cash reserves.

We believe that the cash reserve of \$207,994 is sufficient based on the following:

- * Unlike a for-profit organization which experiences fluctuating cash inflows due to consumer demand and risks associated with revenue collection, this organization has a stable revenue base with essentially no risk associated with revenue collection.
- * FTRI actually underspent its fiscal 1993-94 budget by \$2.75 million.
- * FTRI may find through its cost analysis of the distribution program that the current distribution philosophy is not actually the most efficient use of funds.

Collecting a Fee for Distributed Equipment

Levels of marketing expenditures slated for fiscal year 1994-95 should, although not known to what degree, increase consumer awareness and facilitate growth and expansion in the relay services and equipment distribution programs. Likewise, direct expenses for distribution, training, equipment and relay time will increase

significantly along with their associated overhead costs. The impact will also place a significant burden on the ratepayer who is expected to bear these costs.

The relay system program is designed to enable those who have hearing and speech impairments to communicate through the existing telecommunications network, as well as provide a financially equitable balance to account for the additional time required to communicate using the relay service. This is not to say that the cost of CPE equipment distributed to users should be fully paid for by the program so as to disadvantage those who also have to bear the full cost of purchasing CPE equipment for their own use. This may also not be equitable.

The equitable solution may be to somehow equate the average cost of a normal CPE unit for those without impairments, to the average cost of CPE equipment utilized by those who have impairments, and to cover only that difference through revenue sources provided by the monthly surcharge.

As a result, we direct the administrator (FTRI) to perform a cost analysis which will address the administrative costs of collecting a fee for distributed equipment from the hearing and speech impaired. We will also be interested in knowing the effects or burdens it places on the organization as a whole. This report should be included in FTRI's 1994 Annual Report to the Commission (due November 1, 1994).

FTRI Regional Distribution Program

Background

The Telecommunications Access System Act (TASA) of 1991 requires FTRI (the administrator) to distribute telecommunications equipment, train recipients in the proper use of the equipment, and provide the maintenance of this equipment for persons who are hearing or speech impaired, and are citizens of Florida.

Prior to regionalization, applications for equipment were processed through FTRI's office which is located in Tallahassee. Once approved, an order would be placed with the appropriate vendor and the equipment would be shipped directly to the qualifying individual from the vendor. An individual requesting training would be required to call FTRI in Tallahassee. FTRI would then dispatch a trainer located in the general vicinity of the recipient to provide training services. The same is true for equipment needing repair or replacement. Again, FTRI headquarters would act as an intermediary, calling the appropriate equipment vendor and

arranging for pickup of defective equipment and delivery of replacement communication devices.

Current Situation

In order to improve the effectiveness and efficiency of the equipment distribution program, FTRI proposed \$692,000 in its 1994-95 fiscal year budget. The budgeted amount represents a \$392,000 increase over the previous year's budget.

The improved program should allow most (78%) individuals who request telecommunications equipment to be served through a regional equipment distribution center. To qualify, one must first fill out an application and have a professional certifier attest to the hearing or speech impairment. TASA authorizes licensed physicians, audiologists, state certified teachers of the hearing and visually impaired, appropriate state or federal agency representatives, deaf service center directors, licensed speech pathologists, and hearing aid specialists to certify need for the equipment. The certified application accompanied by the applicant's signature attests both to the applicant's impairment and permanent residency in Florida. The application may then be brought to the nearest regional distribution center by the applicant. An alternative would be to have the application certified by one of the professional certifiers located at the distribution center.

Once the application process is completed, the regional distribution center verifies that the equipment is appropriate for the applicant's impairment. The equipment is then either distributed from whatever small inventory there is on site or an order is placed with the appropriate vendor for direct delivery, and the applicant is trained or scheduled for training on proper operational procedures. Included in the training are instructions for any equipment maintenance or follow-up needs. Once the distribution process is completed, the application and equipment receipt are sent to FTRI's office in Tallahassee for verification and filing.

The regional distribution program currently involves the contracting of eight (8) Deaf Service Centers located in Miami, Oakland Park, West Palm Beach, Fort Myers, Bradenton, Pinellas Park, Tampa, and New Port Richey. Four of these centers have been in service since September of 1993, and the other four since March of 1994. Subsequent plans exist to expand the program on or about June 1, 1994, into Jacksonville, Lakeland, Ormond Beach, Orlando, and Cocoa Beach. These centers will be contracted not-for-profit

organizations such as Deaf Service Centers, Centers for Independent Living, and Speech and Hearing Centers etc. which already serve the speech and hearing impaired citizens in Florida. No further expansion is currently planned beyond the 1994-95 fiscal year period.

Advantages of Regionalized Distribution:

- * Allows minor repairs and clarification of equipment feature use on-site in lieu of shipping for repair.
- * Provides direct service to clients, assuring a better fit of equipment to client.
- * Provides for validation of eligibility (residency/citizenship).
- * Allows FTRI as an administrator to focus on policy and procedure, and organizational development.
- * Allows FTRI to develop more well defined budgets.
- * Provides a better forum for customer feedback.

The cost to contract out the 13 regional distribution centers will be \$692,000 for the budgeted fiscal year. In addition to direct distribution costs, FTRI will spend another \$382,000 in associated costs for outreach, training, workshops, and equipment freight expense. The total cost for the equipment distribution program excluding the cost of the equipment itself will be \$1.074 million for the budgeted year. Based on the anticipated distribution rate of equipment (36,473 units of TDDs and VCPs) actually requiring personal training, the distribution cost per unit inclusive of training will be \$29.45 based on fiscal year 1994-95 budget. This compares to a lower distribution cost figure of \$21.77 per unit for fiscal year 1993-94. During the lower cost distribution period 27,000 units were distributed in total. Yet, the first 3/4 of the year realized distribution out of headquarters with the remaining quarter of the year realizing distribution out of headquarters and three regional distribution centers.

Our concern is that these expenditures earmarked in the budget for regional distribution centers, may not necessarily prove to be an efficient use of funds. The concept of quality and service upon which the distribution program is predicated are not issues to which staff is insensitive. However, while FTRI has been able to clearly identify some of the intangible benefits of the

distribution program to its target base, it is not clear to staff what the tangible cost/benefits are to the ratepayer.

In September of 1993, FTRI instituted a pilot program for four distribution centers. It then added another four distribution centers in March 1994, and now there are plans for five more distribution centers in June of 1994. Pilot programs provide useful information and feedback on the level of effectiveness, efficiency, and successfulness that might be expected from a full blown program. For-profit organizations use this tool to test their markets and to avoid additional financial and organizational risks. This does not preclude non-for-profit organizations from using this tool for the same purpose, which in this case is to minimize risk and expense to the ratepayer. Staff has concerns that the time period allotted to gather data relative to measuring the success of the pilot program may not be adequate to warrant continued expansion at this time.

Consequently, we direct that FTRI perform an incremental cost analysis justifying the expenditure for the line item, and include it in the FTRI 1994 Annual Report to the Commission. Staff is particularly interested in:

- * FTRI's cost changes for such expenses as, but not limited to: personnel, office space, office furniture, office equipment, equipment training and repair expenses, freight and distribution, workshop expenses, etc. should distribution be centralized from FTRI headquarters vs. decentralized.
- * Non-cost benefits of centralized vs. decentralized distribution.

General and Administrative Expenses

While most of FTRI's actual expenses are highly subject to the demands for relay service and equipment, the expenses in Category V (General and Administrative) are less related to demand and to some extent are determined by FTRI management. In an effort to evaluate the propriety of Category V expenses, the Commission's Division of Research and Regulatory Review was asked to conduct an analysis of the General and Administrative expenses. We believe the level of those expenses is reasonable.

Therefore, based on the foregoing it is ORDERED by the Florida Public Service Commission that the contract with MCI is extended for one additional year. It is further

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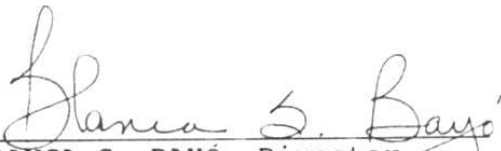
ORDERED that the MCI contract provisions dealing with special needs and explaining relay be amended. It is further

ORDERED that Mr. James I. Black, Jr., is appointed to the TASA Advisory Committee. It is further

ORDERED that the surcharge be increased from \$.10 to \$.12, effective November 1, 1994, and that the FTRI will operate under the budget conditions described above. It is further

ORDERED that this docket remain open.

By ORDER of the Florida Public Service Commission this 8th day of June, 1994.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on June 29, 1994.

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 adversely 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.

	FTRI Approved 1993-94 Budget	FTRI Best View 1993-94 Budget	FTRI Proposed 1994-95 Budget	STAFF Proposed 1994-95 Budget	Variance Staff VS. FTRI
1 Revenue					
2 Surcharges	9,293,490	9,505,395	12,727,723	10,946,064	(1,781,659)
3 Interest Income	126,800	132,874	63,697	58,453	(5,244)
4 Services/Other	0	10	0	0	0
5 Total Operating Revenue	9,420,290	9,638,279	12,791,420	11,004,517	(1,786,903)
6 Other Revenue Funds					
7 Surplus Account	5,400,000	5,129,209	3,471,920	3,678,000	206,080
8 Total Other Revenue	5,400,000	5,129,209	3,471,920	3,678,000	206,080
9 Total Revenue	14,820,290	14,767,488	16,263,340	14,682,517	(1,580,823)
10 Operating Expenses					
Category I - Relay Services					
11 DPR Provider	7,286,934	6,635,800	8,702,601	8,702,601	0
Subtotal - Category I	7,286,934	6,635,800	8,702,601	8,702,601	0
Category II - Equipment and Repairs					
12 TDD Equipment	770,400	529,008	507,180	507,180	0
13 LVD TDD's	28,000	23,000	24,150	24,150	0
14 VCO - TDD	0	0	88,165	88,165	0
15 Dual Sensory Equip.	31,950	24,900	24,900	24,900	0
16 VCP hearing impaired	2,903,515	2,254,030	2,939,725	2,939,725	0
16A VCP speech impaired	6,335	13,299	13,990	13,990	0
17 Ring Signaling Equip.	533,226	524,164	697,795	697,795	0
18 Telecomm. Equip. Repair	180,000	75,853	103,000	103,000	0
Subtotal Category - II	4,453,426	3,444,254	4,398,905	4,398,905	0
Category III - Equipment Distribution and Repair					
19 Freight Telecomm. Equip.	36,000	31,344	39,732	39,732	0
20 Regional Dist. Cir.	300,000	298,562	692,000	692,000	0
21 Workshop	30,000	0	6,000	6,000	0
22 Training	200,000	75,000	30,000	30,000	0
Subtotal Category - III	566,000	404,906	767,732	767,732	0
Category IV - Outreach					
23 Outreach	583,000	183,000	306,000	306,000	0
Subtotal Category - IV	583,000	183,000	306,000	306,000	0
Category V - General & Administrative					
24 Advertising	5,800	1,100	1,500	1,500	0
25 Accounting	18,000	18,000	14,800	14,800	0
26 Legal	36,000	60,062	45,000	45,000	0
27 Consultation	36,000	18,000	15,000	15,000	0
28 Auto Expense	0	0	0	0	0
29 Auto Lease	4,800	4,800	4,800	4,800	0
30 Bank Charges	0	0	0	0	0
31 Dues/Subscriptions	2,100	570	1,000	1,000	0

	FTRI Approved 1993-94 Budget	FTRI Best View 1993-94 Budget	FTRI Proposed 1994-95 Budget	STAFF Proposed 1994-95 Budget	Variance Staff VS. FTRI
32 Office Furn. Purchase	3,600	1,000	1,000	1,000	0
33 Office Equip. Purchase	25,000	11,590	5,000	5,000	0
34 Capitalized	0	0	0	0	0
35 Office Equip. Lease	2,000	1,777	2,000	2,000	0
36 Ins. - health/life/Dis.	63,000	52,264	67,482	67,482	0
37 Ins. Other	3,750	2,386	2,500	2,500	0
38 Office Expense	15,000	6,000	8,000	8,000	0
39 Postage	25,100	29,014	30,000	30,000	0
40 Rent	38,500	38,500	42,100	42,100	0
41 Printing	30,000	30,828	40,000	40,000	0
42 Retirement	29,832	26,685	30,032	30,032	0
43 Employee Comp.	264,000	245,319	260,000	260,000	0
43A Temporary Employment	15,000	4,000	5,000	5,000	0
44 Payroll Taxes	23,640	18,767	20,640	20,640	0
45 SUTA/FUTA	4,200	1,976	2,100	2,100	0
46 Taxes/License	1,000	200	200	200	0
47 Telephone	47,400	37,205	35,000	35,000	0
48 Travel & Bus. Expense	20,000	8,000	18,000	18,000	0
49 Xerox	4,500	665	0	0	0
50 Equipment Maint.	5,000	7,000	8,000	8,000	0
51 Employee Train/Dmp.	0	0	2,000	2,000	0
52 Meeting	12,000	500	3,000	3,000	0
53 Misc.	10,000	1,400	5,000	5,000	0
Subtotal Category - IV	745,222	627,608	669,154	669,154	0
54 Total Expense	13,634,582	11,295,568	14,844,392	14,844,392	0
55 Revenue Less Expenses	1,185,708	3,471,920	1,418,948	(161,875)	(1,580,823)