

**P-408/ES-90-27** ORDER APPROVING CERTIFIED 911 SYSTEM COST

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson	Chair
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner
Norma McKanna	Commissioner
Patrice M. Vick	Commissioner

In the Matter of <b>East Otter Tail Telephone Company's</b> Request for Approval of Certified Actual Costs Associated with the <b>Cass County</b> 911 Emergency Telephone Services System	ISSUE DATE: <b>November 27, 1991</b>
	DOCKET NO. <b>P-408/ES-90-278</b>
	ORDER APPROVING CERTIFIED 911 SYSTEM COSTS

**PROCEDURAL HISTORY**

On October 13, 1981, the Minnesota Public Utilities Commission (the Commission) approved Cass County's final plan for the establishment of a 911 Emergency Telephone Services System.

On December 8, 1987, East Otter Tail Telephone Company (the Company) placed a portion of a 911 Emergency Telephone System into service in Cass County.

On June 25, 1991, the Company certified the actual costs it incurred for the provision of 911 Emergency Telephone Service in Cass County. There are three sets of certifications which reflect costs incurred from December 8, 1987 to July 31, 1989 (Attachment A), August 1, 1989 to October 17, 1990 (Attachment B) and costs incurred from October 18, 1990 to date (Attachment C). The different time periods represent tariff changes reflecting the switch from single bill to multiple bill from each carrier for special access and different host and remote network configurations that required changes in the special access arrangements.

East Otter Tail is now requesting Commission approval of actual 911 system costs. Commission approval is necessary before the Department of Administration (DOA) will make payments for 911 system costs.

**FINDINGS AND CONCLUSIONS**

Minn. Stat. Section 403.11, subd. 3 states:

Subd. 3 (METHOD OF PAYMENT; CERTIFICATION.) A public utility incurring reimbursable costs under subdivision 1 or 2 shall certify those costs to the commissioner of administration. The certification shall be in a form as prescribed by the commissioner after consultation with the public service commission. If the commissioner and the commission approve the certified costs as appropriate and accurate, the commissioner shall pay the certified costs from money appropriated for that purpose within 90 days following receipt by the commissioner of the certified costs. The commissioner of administration shall estimate the amount required to reimburse public utilities for the state's obligations under subdivisions 1 and 2 of this section and the governor shall include the estimated amount in the biennial budget request.

East Otter Tail has certified, in writing, that the elements of 911 services and associated costs indicated on Attachments A, B and C reflect only charges for services actually rendered in the direct provision of 911 service in Cass County.

The amount appearing on line 1c (Attachment A) is the actual cost associated with moving or rearranging existing central office equipment because of 911 installation. The amount appearing on line 1c is traceable to specific telephone company job orders which will be retained in the Company's records. This amount is a one-time cost which will be reimbursed by the State of Minnesota and which will be excluded from the Company's rate base.

All other charges listed on Attachments A, B and C are in accordance with the Company's tariffs.

The Commission finds that the costs for 911 Emergency Telephone Service in Cass County which have been certified by the Company are appropriate and accurate.

Policy References:

Minn. Stat. Section 403.11 System Costs

Minn. Rules, pt. 1215.1400 Funding Eligibility/Payment of Recurring Costs

Minn. Rules, pt. 1215.1500 Funding Eligibility/Payment of Central Office Modification Costs

ORDER

1. The costs identified on Attachment A, Attachment B and Attachment C accompanying this Order are approved as appropriate and accurate.
2. This Order does not approve payment of any 911 system costs. Any possible future approval of payment for system costs shall be granted by the Commissioner of the Department of Administration in accordance with the provisions of Minn. Stat. Section 403.11.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster  
Executive Secretary

(S E A L)

