

ISSUE DATE: May 26, 1998

DOCKET NO. P-999/CI-95-615

DOCKET NO. P-999/CI-96-68

ORDER ACCEPTING ANNUAL REPORT, APPROVING PROPOSED BUDGETS,
REDUCING TACIP SURCHARGE, AND REQUIRING TARIFF FILINGS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Edward A. Garvey	Chair
Joel Jacobs	Commissioner
Marshall Johnson	Commissioner
LeRoy Koppendrayer	Commissioner
Gregory Scott	Commissioner

In the Matter of the Administration of Programs for Communication-Impaired Persons by the Department of Public Service

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In the Matter of the Department of Public Service's Proposed TACIP Budget for Fiscal Years 1998-1999

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ORDER ACCEPTING ANNUAL REPORT, APPROVING PROPOSED BUDGETS, REDUCING TACIP SURCHARGE, AND REQUIRING TARIFF FILINGS

PROCEDURAL HISTORY

On March 20, 1998 the Department of Public Service (the Department) filed proposed budgets for the Telecommunications Access for Communication-Impaired Persons (TACIP) program for fiscal years 1998 and 1999.

On April 13, 1998 the Department filed its 1997 annual report on program operations.

On May 12, 1998 both filings came before the Commission.

FINDINGS AND CONCLUSIONS

I. The TACIP Program

The TACIP program is intended to make Minnesota's telecommunications system fully accessible to persons with communication impairments, using two strategies: (1) distributing specialized equipment to eligible persons with communication impairments, and (2) operating a state-wide message relay service linking telephone customers who use specialized equipment with those who do not. The program is administered by the Department of Public Service and funded by a monthly surcharge on all access lines.

II. The Applicable Law

The TACIP statutes require the Department to file an annual report with the Commission containing the following information:

- (1) a review of the accessibility of the telephone system to communication-impaired persons;
- (2) a review of the ability of non-communication-impaired persons to communicate by telephone with communication-impaired persons;
- (3) a description of all services provided under the program;
- (4) an accounting for money received and disbursed for each aspect of the program;
- (5) a description of anticipated future operations.

Minn. Stat. § 237.55.

The statutes also require the Department to file an annual budget and an annual recommendation on the surcharge level necessary to operate the program. The Commission is to review the budget for reasonableness, determine the surcharge level for the coming year, and implement the new surcharge level on the earliest practicable date. Minn. Stat. § 237.52, subd. 2.

III. Commission Action

The Commission has reviewed the Department's 1997 annual report and finds that it meets statutory requirements. It addresses the five issues identified by statute and provides an overview of the program's history, present operations, and anticipated future operations. Among other things, the report shows a steady increase in the use of the message relay service and in the availability of custom calling and advanced services to persons using the service. The report will be accepted.

The Commission has reviewed the proposed budgets for fiscal years 1998 and 1999 and finds them reasonable in all respects. They will be approved as proposed.

The Commission has reviewed the Department's recommendation to reduce the monthly surcharge on all access lines from 17 cents to 12 cents and finds it reasonable. The Commission agrees with the Department that increases in access lines (which translate into higher surcharge revenues), together with funds carried over from previous years, will enable the Department to meet its TACIP budget with a lower surcharge.

The statute requires the Commission to implement the new surcharge on the earliest practicable date. Minn. Stat. § 237.52, subd. 2. Given the need for all local exchange carriers to revise their tariffs and billing and collection practices to reflect the new surcharge level, the earliest

practicable date is July 1, 1998.

The Commission will so order.

ORDER

1. The Department's 1997 annual TACIP report is accepted.
2. The proposed TACIP budgets for fiscal years 1998 and 1999 are approved.
3. The monthly TACIP surcharge shall be reduced from 17 cents per access line to 12 cents per access line as of July 1, 1998.
4. Within 30 days of the date of this Order all local exchange carriers shall file revised tariffs reflecting the new TACIP surcharge level.
5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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