

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott	Chair
Edward A. Garvey	Commissioner
Marshall Johnson	Commissioner
LeRoy Koppendrayner	Commissioner
Phyllis A. Reha	Commissioner

In the Matter of DOC/TACIP Proposed Budget
for FY 2002 and Annual Report for FY 2000

ISSUE DATE: April 30, 2002

DOCKET NO. P-999/CI-01-441

ORDER ACCEPTING ANNUAL REPORT
AND APPROVING THE PROPOSED
BUDGET AND SURCHARGE

PROCEDURAL HISTORY

On May 4, 2000, the Commission issued its ORDER ACCEPTING BUDGET FOR FY 2001, REDUCING TACIP SURCHARGE, REQUIRING TARIFF FILINGS AND FILING OF ANNUAL REPORT FOR CY 2000 AND/OR BUDGET AND SURCHARGE PROPOSAL FOR FY 2002. In this Order, the Commission expressed its concern for timely filings from the Department of Commerce's Telecommunications Access for Communication-Impaired Persons (DOC/TACIP) program to allow for more meaningful Commission review of the reports and budget proposals regarding the TACIP activities. The Commission directed the filing of the CY 2000 Annual Report and the 2002 Budget and Surcharge proposals by June 1, 2001.

On June 1, 2001, TACIP filed its budget and surcharge recommendations, and requested a two-month extension to submit the annual reports for CY 1999 and CY 2000. Additional time extensions were subsequently requested by the DOC/TACIP and granted by the Commission.

On March 5, 2002, DOC/TACIP filed the CY 2000 Annual Report, more than a year later than initially required.

The Commission met on April 18, 2002 to consider this matter.

FINDINGS AND CONCLUSIONS

I. THE ANNUAL REPORT

The annual report presents information on the major activities of DOC/TACIP for the year 2000. It provides the history, a description of the Equipment Distribution Program (EDP) and Minnesota Relay Service (MRS) projects, financial and statistical data, anticipated operations, and includes the governing statutory references, the current organizational structures, and a chart depicting the revenues and expenses for FY 1999 and FY 2001 which ended on June 30, 2001.

The Commission has reviewed the Annual Report, finds it reasonable, and will accept it as submitted.

II. FY 2002 BUDGET PROPOSAL

In its filing on June 1, 2001, TACIP/DOC proposes to increase the TACIP Budget from \$7,259,732 million actual expenses in FY 2001 to \$ 8,708,209 in FY 2002.

The main components of the FY 2001 Budget, with comparative figures for the previous year, are:

	<u>FY 2001 Actual</u>	<u>FY 2002 Proposal</u>	<u>Change</u>
TACIP Administration -	\$ 157,100	\$ 186,000	\$ 28,900
EDP -	\$ 1,481,124	\$ 1,667,547	\$ 186,423
MRS -	\$ 5,282,000	\$ 5,914,928	\$ 632,928
Consumer Relations -	<u>\$ 339,508</u>	<u>\$ 939,734</u>	<u>\$ 600,226</u>
Total	\$7,259,732	\$ 8,708,209	\$1,448,477

Now that the Annual Report has been submitted, the Commission has considered the budget proposal and TACIP reports together. The Commission finds the proposed budget reasonable and will approve it.

III. SURCHARGE PROPOSAL

DOC/TACIP did not propose any adjustment to the 10 cents per month surcharge currently paid by wired and wireless telephone customers.

The Commission has reviewed the circumstances and finds it reasonable to maintain the current 10 cents per month surcharge.

ORDER

1. The Commission accepts the annual report submitted by DOC/TACIP, approves the budget proposed for FY 2002, and approves the proposed retention of surcharge at 10 cents per month.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

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