

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120**

Public Meeting held May 18, 2023

Commissioners Present:

Gladys Brown Dutrieuille, Chairman
Stephen M. DeFrank, Vice Chairman
Ralph V. Yanora
Kathryn L. Zerfuss
John F. Coleman, Jr.

Recalculation of the Pennsylvania
Telecommunications Relay Service Surcharge

M-2023-3037441
M-00900239

ORDER

BY THE COMMISSION:

In accordance with our May 29, 1990, Order at Docket No. M-00900239 establishing the Pennsylvania Telecommunications Relay Service (TRS or Relay)¹ and surcharge funding mechanism (TRS surcharge) and subsequent Commission orders and legislation,² we have completed the annual recalculation of the TRS surcharge rate established for the period beginning on July 1, 2023, and ending June 30, 2024. The Commission proposes to continue with the current TRS surcharge rate of \$0.00 per month for residential and business access lines³ for the upcoming fiscal year period beginning July 1, 2023.

¹ Additional information on TRS may be found at

http://www.puc.pa.gov/utility_industry/telecommunications/telecommunications_relay_service.aspx

² See Act 34 of 1995, 35 P.S. §§ 6701.1 – 6701.4 (the statutory provisions were amended by Act 181 of 2002 to be more inclusive of persons with disabilities), establishing the Telecommunication Device Distribution Program (TDDP) to be funded by the TRS surcharge and which codified Relay and use of the TRS surcharge funding mechanism; and Act 174 of 2004, 35 P.S. § 6701.3a, which established the Print Media Access System Program (PMASP) which may be funded in part or in whole by the TRS surcharge. PMASP is a reading service for persons with certain vision-related physical disabilities. The law is now called the “Universal Telecommunications and Print Media Access Act” or “UTPMAAA.”

³ See 2022 Recalculation of the Pennsylvania Telecommunications Relay Service Surcharge Order at Docket No. M-2022-3030272.

Background

The annual TRS surcharge recalculation is dependent on data from several sources. Local Exchange Carriers (LECs⁴) are required to submit annual wireline access line counts to the Commission pursuant to 52 Pa. Code § 63.37. The traditional relay provider, Hamilton Relay, Inc.,⁵ submitted the estimated minutes of use and charges for the fiscal year July 1, 2023, through June 30, 2024. Hamilton Telephone Company d/b/a Hamilton Telecommunications submitted the estimated minutes-of-use report for the Captioned Telephone Relay Service⁶ (CTRS). Pursuant to Sections 6701.3(b)(3) and 6701.4(c) of the UTMCAA, 35 P.S. § 6701.3(b)(3) and 6701.4(c), the Office of Vocational Rehabilitation (OVR), Department of Labor and Industry is required to submit annual budgets with the Commission for the TDDP and the PMASP for the applicable fiscal year.⁷

Forecasted Operations Costs for 2023 – 2024

The Commission shall continue its active oversight of the operations of the Pennsylvania Telecommunications Relay Service. In doing so, the Commission believes it is necessary to continue to collaborate with OVR and its TDDP administrator⁸ to ensure adequate funding for distribution of TDDP equipment to qualified Pennsylvanians. As stated above, OVR is required to file annual budgets for the TDDP and the PMASP.⁹ We acknowledge that OVR is statutorily obligated to ensure that there is adequate funding for the TDDP and the PMASP in Pennsylvania and we are willing to assist OVR to fulfill this mission, which requires that the Commission properly and timely receives the appropriate and required documentation.¹⁰ However, since OVR has not officially submitted the TDDP and PMASP budgets with the Commission, we used

⁴ LECs include both incumbent and competitive local exchange carriers.

⁵ Hamilton Relay, Inc. (Hamilton) holds the TRS Certificate of Public Convenience to provide TRS throughout the Commonwealth of Pennsylvania. The Commission approved Hamilton's Application by order entered December 4, 2014, at Docket No. A-2014-2447601.

⁶ Hamilton Telecommunications, an affiliate of Hamilton Relay, provides CTRS services.

⁷ To date, the OVR, Department of Labor and Industry, has not officially filed a 2023-2024 TDDP budget nor a 2023-2024 PMASP budget with the Commission pursuant to our filing regulations. See 52 Pa. Code §§ 1.31 and 1.32.

⁸ As of January 1, 2007, the TDDP is administered by Pennsylvania's Initiative on Assistive Technology, Institute on Disabilities, Temple University pursuant to a contractual agreement with OVR.

⁹ 35 P.S. §§ 6701.3 and 6701.4.

¹⁰ Commission staff emailed OVR on 4/28/2023 requesting the budgets for TDDP and PMASP.

the actual costs for the TDDP and PMASP¹¹ to calculate the TRS surcharge rate for the upcoming fiscal year.

Calculation of TRS surcharge for 2023 – 2024 Fiscal Year

As explained above, the monthly surcharge recalculation is based principally on the anticipated costs of three individual programs, Relay (TTY style, Speech-to-Speech, Spanish Relay, and Captioned Telephone Relay Service (CTRS)), TDDP and the PMASP, and an accounting of access lines in service. The combined residential and business wireline access lines reported by LECs for 2022 and adjusted for Centrex lines are estimated to be 3,190,866. Accordingly, based upon the number of access lines, the anticipated Pennsylvania TRS Advisory Board¹² expenses, the TRS Fund administration costs, the projected TRS program costs from Hamilton (Relay, CTRS), the lack of a projected TDDP and PMASP budgets from OVR and the financial status of the TRS Fund, the 2023-2024 TRS surcharge rate for residential and business access lines will remain set at the current rate of \$0.00 per month per access line.

Since the set rate will not change, LECs are not required to file tariff supplements. Additionally, LECs will not have to file any monthly remittance forms with US Bank since the TRS surcharge rate will continue at zero for the period beginning July 1, 2023, to June 30, 2024.¹³ In the event of the TRS surcharge changing the Commission will issue an updated remittance form.

Audits

On March 3, 2023, the Bureau of Audits released the report of its audit of the Telecommunications Relay Service at Docket No. D-2022-3030518 that covered the twelve-

¹¹ The Commission obtained the actual costs of these programs for the period 4/1/22 to 3/31/2023, by reviewing the monthly disbursements from the bank account statements of the Fund Administrator, U.S. Bank Institutional Trust & Custody that was sent to PIAT and OVR, respectively.

¹² The Pennsylvania TRS Advisory Board was established pursuant to Commission Order entered May 29, 1990. The TRS Advisory Board's By-Laws and quarterly meeting schedule can be found at: http://www.puc.pa.gov/utility_industry/telecommunications/telecommunications_relay_service/trs_advisory_board.aspx

¹³ U.S. Bank National Wholesale Lockbox, Pennsylvania TRS Fund, PO Box 645899, Cincinnati, OH 45264-5899. Remittances are payable to the "Pennsylvania TRS Fund" and designated for PA Relay. US Bank National Wholesale Lockbox regular mail, overnight mail, and wire instructions can be found on the remittance form attached to this Order.

month periods ended February 29, 2020; and February 28, 2021. The Bureau of Audits plans to begin an audit of the Telecommunication Device Distribution Program and Print Media Access System Program for the twelve-month periods ended June 30, 2020; June 30, 2021; and June 30, 2022, in 2023.

Service of Order

In the past, our practice has been to serve the annual TRS surcharge recalculation order on every LEC in the Commonwealth in addition to each Relay service provider, the Office of Vocational Rehabilitation, the Office of Consumer Advocate, the Office of Small Business Advocate, the Pennsylvania Telephone Association, and the Fund Administrator. Consistent with the TRS surcharge recalculation order entered May 23, 2013, at Docket No. M-2013-2341301, we now serve paper copies of the annual TRS surcharge recalculation order only when there is a change in the TRS surcharge rate or other provision in the order requiring that the LECs file a tariff supplement or take other action. As this order does not change the TRS surcharge rate, paper copies of the order will not be served. We will continue to publish the order in the *Pennsylvania Bulletin* and on the Commission's website.

Conclusion

The Commission has completed the annual recalculation of the TRS surcharge rate. The TRS surcharge rate for residential and business access lines will remain set at \$0.00 per month for the time period beginning July 1, 2023, through June 30, 2024; **THEREFORE,**

IT IS ORDERED:

1. That for the period of July 1, 2023, through June 30, 2024, the TRS surcharge rate for residential and business access lines shall be set at \$0.00 per month, unless the Commission takes further action to revise the TRS surcharge rate prior to June 30, 2024.
2. That a copy of this Order be published in the *Pennsylvania Bulletin*.

3. That a copy of this Order be posted to the Commission's website.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: May 18, 2023

ORDER ENTERED: May 18, 2023