

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120**

**Recalculation of the Pennsylvania and
Telecommunications Relay Service Surcharge**

**Public Meeting June 18, 2020
3015209-TUS
Docket No. M-2020-3015209**

**JOINT STATEMENT OF COMMISSIONER JOHN F. COLEMAN, JR. AND
COMMISSIONER RALPH V. YANORA**

Before the Commission is the establishment of the Pennsylvania Telecommunications Relay Service (TRS or Relay) surcharge funding mechanism (TRS surcharge) for the period July 1, 2020 through June 30, 2021.

The TRS surcharge recovers the costs of providing calling services and equipment to individuals that are deaf, hard of hearing, deaf-blind or have difficulty speaking to make and receive telephone calls. The TRS surcharge funds three individual programs: the relay service itself, the Telecommunications Device Distribution Program (TDDP),¹ and the Print Media Access System Program.² The current contribution rate to fund these programs is \$0.08 per line per month.

The surcharge is assessed only upon the customers of wireline Incumbent Local Exchange Carriers (ILECs) and Competitive Local Exchange Carriers (CLECs). The TRS program is laudable and my colleague and I support its continued existence.

Given the current cash balance of the TRS fund, we believe it is inappropriate to keep the TRS surcharge rate for residential and business access lines at \$0.08 per month for the upcoming year, and it is most definitely not in the public interest to keep the surcharge at this level. As of April 1, 2020, the \$0.08 surcharge rate applied over the past several years has worked to produce a surplus in the TRS fund that now approaches \$14 million, an increase of almost \$2 million from last year's \$12 million surplus. This surplus is so large that it could safely fund TRS programs for over five years with no surcharge at all.

This Commission would never allow utilities to over-collect to such an extent and not return the overcollection to the affected customers. To this point, it did just that with the tax savings resulting from the Tax Cuts and Jobs Act of 2017. In fact, we believe it would be entirely appropriate for the Commission to consider refunding a reasonable amount of this gross excess during the financial crisis triggered by the COVID-19 pandemic.

¹ This program provides specialized telecommunications devices at no charge to qualifying persons who are deaf or hard of hearing, or with speech and language disorders, or with a physical disability that prevents them from using standard telecommunication equipment.

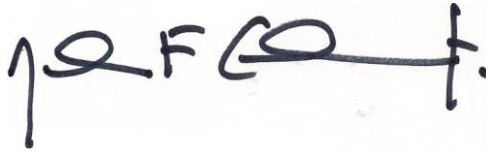
² This program is a reading service for persons with certain vision-related physical disabilities.

We both agree that facilitating access to TRS for some of Pennsylvania's most vulnerable citizens is a laudable objective. However, reducing the TRS surcharge to \$0.00 for the next year, would not impede that objective, given the sizeable surplus that can fund these programs for years to come. Moreover, because the TRS surcharge is set on an annual basis, any need for additional funding can be adequately addressed next year or in future surcharge years.

In prior surcharge years, one of the main arguments used to support keeping the TRS surcharge at \$0.08 was a concern that the Federal Communications Commission (FCC) might shift certain federal TRS program costs to the states. However, the FCC has decided it will not shift the burden of intrastate IP-CTS to the states, thereby removing the speculation and uncertainty surrounding this issue.³

We understand many of Pennsylvania's Seniors continue to subscribe to basic telephone service, and thus are subject to this surcharge. The relief we support here today, though small on an individual customer basis, is not on an aggregate basis and would be an additional benefit to some of our most vulnerable Pennsylvanians.

For these reasons, we do not support keeping the TRS surcharge rate at \$0.08 per line per month for surcharge year 2020-21. Rather, given the amount of the TRS fund surplus, we would lower the TRS surcharge rate to \$0.00 per line per month for the period July 1, 2020 through June 30, 2021 and reevaluate the surcharge next year.



JOHN F. COLEMAN, JR.
COMMISSIONER



RALPH V. YANORA
COMMISSIONER

Date: June 18, 2020

³ *In the Matter of Misuse of Internet Protocol (IP) Captioned Telephone Services*, CG Docket 03-123 and CG Docket No 13-24, Report and Order adopted November 22, 2019, released November 25, 2019.