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

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|  | Public Meeting held June 17, 2021 |
| Commissioners Present: |  |

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| |  | | --- | | Gladys Brown Dutrieuille, Chairman | | David W. Sweet, Vice Chairman  John F. Coleman, Jr.  Ralph V. Yanora | |
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| Recalculation of the Pennsylvania  Telecommunications Relay Service Surcharge | M-2021-3023544  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]](#footnote-1) and surcharge funding mechanism (TRS surcharge) and subsequent Commission orders and legislation,[[2]](#footnote-2) we have completed the annual recalculation of the TRS surcharge as it will apply August 1, 2021,[[3]](#footnote-3) through June 30, 2022. The TRS surcharge rate for residential and business access lines shall be set at $0.04 per month.

**Background**

The annual TRS surcharge recalculation is dependent on data from several sources. Local Exchange Carriers (LECs[[4]](#footnote-4)) submit annual wireline access line counts pursuant to 52 Pa. Code § 63.37. The traditional relay provider, Hamilton Relay, Inc.,[[5]](#footnote-5) submitted the estimated minutes of use and charges for July 1, 2021, through June 30, 2022. Hamilton Telephone Company d/b/a Hamilton Telecommunications submitted the estimated minutes-of-use report for the Captioned Telephone Relay Service[[6]](#footnote-6) (CTRS). The Office of Vocational Rehabilitation (OVR), Department of Labor and Industry, submitted the 2021-2022 TDDP budget and the 2021-2022 PMASP budget. The surcharge also funds TRS Advisory Board activities and Fund administration costs. U.S. Bank,[[7]](#footnote-7) the Fund Administrator, provided a statement of the financial status of the Fund.[[8]](#footnote-8)

**Calculation for 2021 – 2022**

Combined residential and business wireline access lines reported by LECs for 2020 and adjusted for Centrex lines are estimated to be 4,054,485. Based upon the number of access lines, projected TRS program costs (Relay, CTRS, TDDP, and PMASP), anticipated Pennsylvania TRS Advisory Board[[9]](#footnote-9) expenses, TRS Fund administration costs, and the financial status of the TRS Fund, the 2021-2022 TRS surcharge rate for residential and business access lines will be reduced from the current rate of $0.08 per month to $0.04 per month.

This new rate is a reduction to the current rate and will require the LECsto file tariff supplements. These tariff supplements may be filed to become effective on one day’s notice. All TRS surcharge revenues shall continue to be remitted to the Fund Administrator.[[10]](#footnote-10)

Effective August 1, 2021, the TRS monthly surcharge allocation for each fund account will be as follows:[[11]](#footnote-11)

|  |  |  |
| --- | --- | --- |
|  | 2021-2022  Monthly Surcharge Percentage | |
|  | Residence % | Business % |
| Relay | 65.0 | 65.0 |
| TDDP | 30.0 | 30.0 |
| PMASP | 5.0 | 5.0 |
| Total Percentage | 100.0 | 100.0 |

**Operations for 2021 – 2022**

We shall continue our active oversight of the operations of the Pennsylvania Telecommunications Relay Service. Further, in accordance with 35 P.S. §§ 6701.3a & 4, we shall continue to collaborate with OVR and its TDDP administrator[[12]](#footnote-12) to ensure adequate funding for distribution of TDDP equipment to qualified Pennsylvanians. Further, we shall continue to assist OVR in its mission to ensure adequate funding for PMASP*.*

**Audits**

On August 3, 2020, the Commission’s Bureau of Audits began an audit of the TDDP and PMASP at Docket No. D-2020-3020696.  The audit covers the twelve-month periods ended June 30, 2019; June 30, 2018; and June 30, 2017.  The audit report is expected to be released later this year.  The Bureau of Audits plans to initiate another audit of the TRS in 2022.

**Service of Order**

Due to the Governor’s Proclamation of Disaster Emergency that was issued in response to the COVID‑19 pandemic, service by the Commission on parties is exclusively electronic. *See Re: Suspension of Regulatory and Statutory Deadlines; Modification to Filing and Service Requirements*, Emergency Order, Docket No. M‑2020-3019262 (Order entered March 20, 2020). As this order does change the TRS surcharge rate, we shall e-serve a copy 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. Additionally, we will 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 to be applied beginning August 1, 2021, through June 30, 2022, will be set at $0.04 per month. All LECs are required to file a tariff supplement with the Secretary of the Commission to implement the new TRS surcharge rate. These tariff supplements may be filed to become effective on one day’s notice; **THEREFORE**,

**IT IS ORDERED:**

1. That for the period of August 1, 2021, through June 30, 2022, the TRS surcharge rate for residential and business access lines shall be set at $0.04 per month, unless the Commission takes further action to revise the TRS surcharge rate prior to June 30, 2022.

2. That all local exchange carriers are directed to use the attached blank remittance form to remit the monthly TRS surcharge collections to the Fund Administrator. The blank remittance form shall be posted to the Commission’s website. All local exchange carriers are required to collect and remit the TRS surcharge revenue with the completed remittance form monthly by the 20th of each month.

3. That a copy of this Order be served upon all local exchange carriers, Hamilton Telephone Company d/b/a Hamilton Telecommunications, Hamilton Relay, Inc., U.S. Bank Institutional Trust & Custody, the Office of Vocational Rehabilitation in the Department of Labor and Industry, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Pennsylvania Telephone Association.

4. That a copy of this Order be published in the *Pennsylvania Bulletin.*

5. That a copy of this Order be posted to the Commission’s website.

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Description automatically generated  **BY THE COMMISSION,**

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: June 17, 2021

ORDER ENTERED: June 24, 2021

**REMITTANCE FORM FOR MONTHLY TRS SURCHARGE COLLECTIONS**

Effective August 1, 2021 through June 30, 2022 M-2021-3023544

All local exchange carriers are required to collect and remit the TRS surcharge revenue monthly, by the 20th of each month using the following format for the monthly remittance:

***Pennsylvania TRS Surcharge***

For the Month Ending

Number of **Residential** access lines

X $0.04 per line

Allocated:

TRS Relay 65.0 percent

TDDP 30.0 percent

PMASP 5.0 percent

Number of **Business** access lines

X $0.04 per line

Allocated:

TRS Relay 65.0 percent

TDDP 30.0 percent

PMASP 5.0 percent

Total Remittance

Make check payable to: **Pennsylvania TRS Fund**

|  |  |
| --- | --- |
| **Mail Report and payment to**: | ***Wire Instructions:*** |
| U.S. Bank Institutional Trust & Custody  Attn: Mark Conte  Liberty Building  50 S. 16th Street, Suite 2000  Philadelphia, PA 19103 | **BANK** U.S. Bank N.A  **ADDRESS** 60 Livingston Avenue, St Paul  MN 55107-2292  **ABA** 091 000 022  **BNF** ITC Depository South & East  **ACCOUNT** 173 103 781 832  **OBI** PA Relay  **ATTN**: Mark Conte  Email remittance form to: [Danielle.clay1@usbank.com](mailto:Danielle.clay1@usbank.com)  cc [mark.conte@usbank.com](mailto:mark.conte@usbank.com) |

**Remittance for**:

Company Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Utility Code: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Contact Person: ­­­­­­­­­­­­ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Voice Phone Number: (\_\_\_\_)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ FAX: (\_\_\_\_)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E-mail address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Authorized Signature: \_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_*

Please direct any questions regarding the TRS Surcharge remittance to Mr. Eric Jeschke at (717) 783‑3850 or ejeschke@pa.gov.

1. Additional information on TRS may be found at <http://www.puc.pa.gov/utility_industry/telecommunications/telecommunications_relay_service.aspx> [↑](#footnote-ref-1)
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.” [↑](#footnote-ref-2)
3. This effective date is intended to allow carriers sufficient time to make the necessary systems changes to accommodate the reduction in the surcharge and to file the necessary tariff supplements.  These tariff supplements may be filed to become effective on one day’s notice. [↑](#footnote-ref-3)
4. LECs include both incumbent and competitive local exchange carriers. [↑](#footnote-ref-4)
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. [↑](#footnote-ref-5)
6. Hamilton Telecommunications, an affiliate of Hamilton Relay, provides CTRS services. [↑](#footnote-ref-6)
7. As a result of mergers, acquisitions, and name changes, Fund administration has been handled by Hamilton Bank (1990), CoreStates Bank N.A. (1995), First Union National Bank (1999), Wachovia Bank, N.A. (2002), and U.S. Bank Institutional Trust & Custody (2006). [↑](#footnote-ref-7)
8. Separate accounts are maintained for the portions of the surcharge allocated to Relay, TDDP, and PMASP. TRS Advisory Board expenses, CTRS, and outreach activities are funded from the Relay account; TRS Fund administration costs are drawn from each respective account. [↑](#footnote-ref-8)
9. 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> [↑](#footnote-ref-9)
10. U.S. Bank Institutional Trust & Custody, Attn: Mark Conte, Liberty Building, 50 S. 16th Street, Suite 2000, Philadelphia, PA 19103. Remittances are payable to the “PA Relay Service Fund” and designated for Relay. Bank wire instructions can be found on the remittance form. [↑](#footnote-ref-10)
11. The TRS surcharge appears as a single line item on customers’ bills but actually has three components (Relay, TDDP traditional and the Wireless Expansion Initiative, and PMASP). [↑](#footnote-ref-11)
12. As of January 1, 2007, the TDDP is administered by Pennsylvania’s Initiative on Assistive Technology, Institute on Disabilities, Temple University. [↑](#footnote-ref-12)