

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 10<sup>th</sup> day of  
September, 2014.

In the Matter of the Review of the                   )  
Relay Missouri Surcharge                                )

**File No. TO-2015-0032**

**ORDER REDUCING FUND SURCHARGE**

Issue Date: September 10, 2014

Effective Date: October 1, 2014

**Background**

On August 4, 2014, the Staff of the Missouri Public Service Commission filed a Motion to Reduce Relay Missouri Surcharge.<sup>1</sup> Attached to that Motion was a summary of the Staff's detailed review of the funding of the Deaf Relay Service and Equipment Distribution Fund ("hereafter fund"). Staff's review was conducted pursuant to Section 209.259 RSMo 2000. That review is attached hereto as Attachment A.

The Relay Missouri fund is used to provide funding support for two primary purposes. One purpose is to fund Relay Missouri and CapTel services. The Commission administers those services, and Missouri Assistive Technology distributes the equipment. The second purpose is to fund an equipment distribution program for qualifying individuals who are unable to use traditional telecommunications equipment due to disability.

Staff reviewed the level of the surcharges, the fund balance, the retention amount that compensates the local telephone companies that collect and remit the surcharges, and

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<sup>1</sup> Calendar references are to 2014 unless otherwise noted.

the expenditures for Relay Missouri. Staff noted that the fund balance as of February 28, 2014 was \$6,045,677.

Staff recommended the Commission reduce the Relay Missouri surcharge from \$.08 to \$.06. Further, Staff recommended that the Commission maintain the current retention amount that companies retain for recovering costs associated with billing, collecting and remitting Relay Missouri surcharge revenue.

The Commission issued an Order and Notice on August 6 allowing potential intervenors until August 15 to request intervention. That notice specifically ordered that the Missouri Assistive Technology Council, the Missouri Council of the Blind, and the National Federation of the Blind – Missouri receive notice.

The Commission received no intervention requests. But on August 22, the Commission received comments from The Missouri Telecommunications Industry Association (“MTIA”).

MTIA Missouri does not object to Staff’s request. But it asks that any Commission order changing the surcharge amount have an effective date approximately 60 days from the date of the order. MTIA asks this so that its members will have enough time to change their billing system. Staff replied on September 4, asking the Commission to grant its motion no later than October 1, and to make the order effective December 1, to allow telecommunications providers to change their billing systems.

### **Discussion**

Section 209.259 requires the Commission to review the deaf relay service and equipment distribution fund surcharge no less frequently than every two years. It also

requires the Commission to order changes in the amount of the surcharge as necessary to assure available funds for the programs enumerated in Section 209.253.

The Commission finds the Staff's review was properly conducted. Technological changes, such as internet-based relay services, are resulting in traditional relay users migrating away from Relay Missouri. Thus, adopting Staff's recommendation should allow the fund to remain solvent and available for those customers who need it, while reducing the bills of all Missouri landline subscribers. The Commission further finds that the current retention amount is sufficient and shall be maintained unchanged.

**THE COMMISSION ORDERS THAT:**

1. Staff's Motion to Reduce Relay Missouri Fund Surcharge is granted.
2. The Relay Missouri surcharge shall be reduced to \$0.06, effective December 1, 2014.
3. The amount retained by local exchange companies shall be unchanged.
4. This order shall become effective on October 1, 2014.
5. This case shall be closed on October 2, 2014.

**BY THE COMMISSION**



A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

R. Kenney, Chm., Stoll, W. Kenney,  
Hall, and Rupp, CC., concur.

Pridgin, Deputy Chief Regulatory Law Judge