

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR PROPOSAL AND SELECTION)	ADMINISTRATIVE
OF A VENDOR FOR TELECOMMUNICATIONS)	CASE NO. 372
RELAY SERVICE)	

ORDER

The Commission has determined that, due to a decrease in the cost of Telecommunications Relay Service (“TRS”), the monthly surcharge for each local exchange carrier¹ (“LEC”) customer access line should be decreased by two cents to seven cents per month.

Two changes arise from Legislation passed by the 2006 General Assembly with regard to the Telecommunications Devices for the Deaf (“TDD”) Distribution Program. Senate Bill 88 changes the name of the program to Telecommunications Access Program (“TAP”). Also, House Bill 380, the budget bill, included the following language for the Telecommunications Access Program: “Notwithstanding KRS 278.5499, the funding mechanism for the telecommunication device for the deaf distribution program shall allocate not more than two cents per access line per month.” The current surcharge is capped at one cent per access line.

¹ Local exchange carriers include all incumbent and competitive local exchange carriers.

The Executive Director of the Kentucky Commission on the Deaf and Hard of Hearing (“KCDHH”) has requested the Commission increase the surcharge to two cents per access line as now allowed by the budget bill.

Consistent with the legislation, the name of the program will be changed on the form. At the request of the KCDHH Executive Director, the surcharge for TAP will increase to two cents per access line. The increase of the TAP surcharge will only be effective for the period of July 1, 2006 through June 30, 2008. After this date it will revert to the one cent cap contained in the statute.

As in the past, these items may be shown as a combined charge on a single line of the customer’s bill as “TRS/TAP Surcharge.” The combined charges shall be nine cents, a decrease of one cent from the current combined charges. All LECs shall submit to the Commission updated tariffs to reflect this change no later than June 15, 2006, to be effective July 1, 2006

Carriers shall continue to submit reports to the administrator and the Commission on a monthly or quarterly basis as directed in the instructions. Attached is the revised form to reflect the new surcharge amount and the instructions.

IT IS THEREFORE ORDERED that:

1. The surcharge for TRS shall be decreased by two cents per month beginning with all bills for service rendered after July 1, 2006.
2. The Telecommunications Devices for the Deaf program shall now be renamed “Telecommunications Access Program.”
3. The surcharge for TAP shall be increased by one cent per month beginning with all bills for service rendered after July 1, 2006 continuing until June 30, 2008.

4. All LECs shall submit to the Commission tariffs to reflect this change by June 15, 2006.

Done at Frankfort, Kentucky, this 31st day of May, 2006.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a horizontal line.

Executive Director



**COMMONWEALTH OF KENTUCKY
TELECOMMUNICATIONS RELAY SERVICE FUND
TELECOMMUNICATIONS ACCESS PROGRAM FUND**

Date _____

Reporting Month _____

Carrier Information	
Company Name	_____
Company Address	_____
Telephone / Fax	_____
Vendor Number	_____

Classification Please Circle One	ILEC	CLEC	
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Monthly Access Line Data	
1.	Total Access Lines in Service....._____
2.	TRS Surcharge Per Access Line..... <u>\$0.07</u> _____
3.	Amount of TRS Surcharge Remitted to Fund_____
4.	TAP Surcharge Per Access Line..... <u>\$0.02</u> _____
5.	Amount of TAP Surcharge Remitted to Fund....._____

Signature Block		
I hereby attest that the information reported herein is true and accurate to the best of my knowledge.		
Company Official _____	Title _____	Company Official _____
(Printed)		(Signed)

Make check payable to: "Kentucky State Treasurer" and send with this report to:

JPMorgan Chase GP# 204519 / 204690
ATTN: Joseph A. Morales AVP.
Escrow Admin. 15th Floor
4 New York Plaza
New York, NY 10004



Send a copy of this report to:

Kentucky Public Service Commission
ATTN: Jim Stevens
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602

Instructions for Completing Kentucky Telecommunication Relay Service and Telecommunication Access Program Fund Report

The surcharge rate for the Kentucky Telecommunications Relay Service ("TRS") Fund is seven cents (\$0.07) per access line, collected on a monthly basis. The surcharge rate for the Kentucky Telecommunications Access Program ("TAP") is two cents (\$0.02) per access line, collected on a monthly basis. The combined surcharge is nine cents (\$0.09) per access line, collected on a monthly basis. Following are instructions for completing the form and definitions of the terms on the form.

All Incumbent Local Exchange Carriers ("ILECs"), and Competitive Local Exchange Carriers ("CLECs"), are required to collect the surcharge from their customers on a monthly basis. The surcharge should be collected for all local exchange access lines. Local exchange access lines are defined for this purpose as facilities which provide access to and from the telecommunications network for toll service and for local calling with the exception of Coin, WATS, remote call forwarding, radio common carriers, interlata foreign exchange lines, private line services, mobile, other common carriers, and company official accounts. Each carrier should collect the surcharge from the customers it serves on a retail basis; wholesale accounts should not be charged the surcharge. The combined surcharge should appear on each customer's bill as "Kentucky TRS/TAP Surcharge" or a similar facsimile.

Carriers may contribute to the fund on a monthly or quarterly basis depending on the number of subscribers served. Carriers with less than 1,000 access lines may contribute on a quarterly basis. Carriers with greater than 1,000 access lines should continue to contribute on a monthly basis. Carriers contributing on a quarterly basis will still be required to submit separate reports for each month but remit them to the fund on a quarterly basis. Reports are due within 15 days following the reporting month.

Form Instructions

Please complete the carrier information at the top of the form; include company name, address, telephone/fax number, vendor number, date report filed and month for reporting data. Please circle your company designation.

Block 3, Monthly Access Line Data

Line 1, this is the total number of access lines in service for the month.

Line 2, the amount of the surcharge is provided.

Line 3, this should be equal to line 1 multiplied by line 2.

Line 4, the amount of the surcharge is provided

Line 5, this should be equal to line 1 multiplied by line 4.

Signature Block

Please date and print the name and title of the company official and sign the form. A company official may be an officer, controller or other responsible person designated to be held accountable for the information submitted on the form.

Please note the two addresses at the bottom of the form and mail within 15 days after the reporting month. Utilities failing to file reports will be subject to penalties in accordance with KRS 278.990.