

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

On May 31, 2006, the Commission issued an order in this proceeding that, among other things, required that the Telecommunications Access Program ("TAP") surcharge be increased by one cent pursuant to the 2006 – 2008 budget bill passed by the Kentucky General Assembly.

Likewise, House Bill 406, the budget bill passed by the 2008 General Assembly, included the following language for the TAP: "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 surcharge is capped at one cent per access line by KRS 278.5499.

On May 20, 2008, the Interim Executive Director of the Kentucky Commission on the Deaf and Hard of Hearing ("KCDHH"), by letter attached hereto and incorporated herein, requested that the Commission maintain the surcharge at two cents per access line as allowed by the budget bill. The Commission finds that this request is reasonable. The increase of the TAP surcharge above the statutory language will only be effective for the period of July 1, 2008 through June 30, 2010. After this date, it will revert to the one-cent cap contained in the statute. All local exchange carriers shall submit to the Commission

updated tariffs to reflect this change no later than June 15, 2008, to remain effective until June 30, 2010.

IT IS THEREFORE ORDERED that:

1. All incumbent and competitive local exchange carriers shall collect two cents per month per access line surcharge for TAP for all bills rendered after July 1, 2008 and continuing until June 30, 2010.

2. On or before June 16, 2008, those incumbent and competitive local exchange carriers that need to do so shall revise their tariffs to reflect the surcharge set forth in ordering paragraph 1 above.

3. The Executive Director shall serve this Order upon:

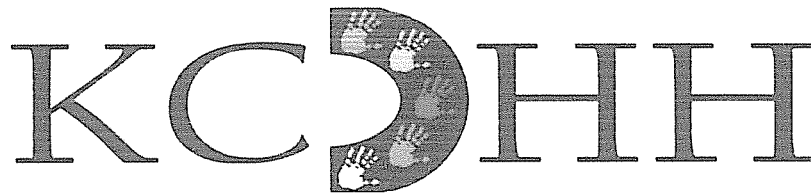
- a. All incumbent local exchange carriers and all competitive local exchange carriers registered to provide telecommunications service within Kentucky;
- b. The Interim Executive Director of the KCDHH;
- c. The Attorney General through his Office of Rate Intervention; and
- d. The Kentucky Telephone Association.

Done at Frankfort, Kentucky, this 2nd day of June, 2008.

By the Commission

ATTEST:

Executive Director



KENTUCKY COMMISSION ON THE DEAF AND HARD OF HEARING

STEVEN L. BESHEAR
GOVERNOR

HELEN W. MOUNTJOY
SECRETARY, EDUCATION CABINET

VIRGINIA L. MOORE
INTERIM EXECUTIVE DIRECTOR, KCDHH

May 20, 2008

Stephanie Stumbo, Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602

Dear Director Stumbo:

The Kentucky Commission on the Deaf and Hard of Hearing (KCDHH) operates the Telecommunications Access Program (TAP), which provides specialized telecommunications equipment to deaf, hard of hearing, and speech impaired consumers throughout the Commonwealth. The TAP is funded through a surcharge on all residential telephone lines, of which KCDHH receives one-cent per line per KRS 278.5499.

Provisions outlined in House Bill 406, the 2008 budget bill, state that "Notwithstanding KRS 278.5499, the funding mechanism for the TAP shall allocate not more than two cents per access line per month." This bill passed the General Assembly as a part of the non-codified section of the law and was signed by Governor Beshear. The Public Service Commission statute (KRS 278.5499) will not be revised, but is superseded by the budget bill language and is effective for the upcoming biennium. Therefore, KCDHH is requesting that the portion of the surcharge allocated to administer the TAP remain at two cents effective July 1, 2008 through June 30, 2010.

This funding will be used by KCDHH to administer the TAP and provide specialized telecommunications equipment for deaf, hard of hearing and speech impaired citizens of the Commonwealth so they may have equitable access to telephone services.

Please contact me at Virginia.moore@ky.gov or 502-573-2604 if have any questions regarding this request.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Virginia L. Moore'.

Virginia L. Moore, Interim Executive Director

CC: Rowena Holloway, Internal Policy Analyst III