

NEBRASKA TRS ADVISORY COMMITTEE MEETING
February 24, 2012, 1:30 p.m. CDT
Location: Nebraska Public Service Commission
300 The Atrium 1200 N Street (Commission Hearing Room)
Lincoln, Nebraska

The Nebraska Telecommunications Relay Advisory Committee met on February 24, 2012 at the Public Service Commission Hearing Room in Lincoln, Nebraska.

There being a quorum present, the meeting was called to order at 2:34 p.m. by Tami Richardson-Nelson. Amy Kasch indicated in advance that she would be unable to attend. The following committee members were present:

Ms. Diana McIntosh;
Ms. Tami Richardson-Nelson;
Ms. Kim Remington;
Commissioner Tim Schram;
Mr. Albert Sparks

Introduction of Guests: Nichole Mulcahy, Gene Hand and Steve Stovall were present from the Public Service Commission. Gene Hand introduced Hannah Brown from the Public Service Commission serving as our receptionist. Present from Sprint via teleconference was Emma Danielson – Sprint Relay Program Manager. Frances Beurivage interpreted the meeting.

Election of New Officers: Motion by Kim Remington to appoint Tami Richardson-Nelson as chair of the committee. Seconded by Albert Sparks. Upon agreement of all committee members present, motion approved. Motion by Tami Richardson-Nelson to appoint Kim Remington as vice-chair. Seconded by Commissioner Tim Schram. Upon agreement of all committee members present, motion approved.

Approval of the Agenda: Motion by Kim Remington to approve the agenda as presented. Seconded by Commissioner Tim Schram. Upon agreement of all committee members present, the agenda was approved as presented.

Approval of the Minutes of February 4, 2011 meeting: One change was offered to the minutes. On page three of four, section “Media Outreach” paragraph two should include the year to read, “March 22, 2011.” Motion made by Kim Remington for approval of the February 4, 2011 minutes as revised. Seconded by Albert Sparks. Upon agreement of all committee members present, the February 4, 2011 minutes were approved as revised.

Dr. Peter Seiler – Executive Director for the Commission for the Deaf and Hard of Hearing arrived at 2:42 pm.

Chairperson’s Comments: Tami Richardson-Nelson deferred comments until Old/New

Business discussion.

Public Service Commission Comments:

1) Updated Relay Statistics/3) Discussion of Surcharge Determination – Gene Hand. Gene Hand provided an update on LB1091 which addresses surcharge remittances by prepaid wireless providers. The proposal would require retailers at the point-of-sale (POS) to assess the surcharge upon the subscriber and remit the proceeds monthly with other sales tax receipts to the Nebraska Department of Revenue. The retailer would retain 3% and the Nebraska Department of Revenue 2% before transferring to the relay fund. The fund thus would receive 95% of the total surcharge assessed. Since there is no emergency clause in the bill, January 2013 would be the effective date assuming the bill becomes law. Because these receipts are included with sale tax receipts which are remitted monthly in arrears it would be February 2013 before any additional TRS revenue would be realized. Nichole Mulcahy indicated that the rate assessed by retailers is formula-driven and may periodically be subject to change. Gene Hand indicated that according to certain industry sources, 20% of all wireless subscribers are purchasing prepaid services.

Discussion centered on relay statistics. Dr. Seiler inquired about subscribership levels for CapTel. Steve Stovall indicated that based on the equipment serial number count (ESN) provided on monthly Sprint reports the level is at 250 + subscribers. Emma Danielson indicated that the count does not include people who may be deceased or have moved to another state.

Gene Hand shared historical and projected call volume and cost data which currently supports a recommendation to reduce the surcharge to at least four (\$.04) cents for the next fiscal year. The reduction would be implemented primarily to reduce the reserve balance. Gene informed the group that the ideal surcharge that would match monthly revenue with projected costs is closer to four and one-half cents (\$.045). The forecast assumptions in Attachment 3 would support a reduction to four cents for the next and possibly the following assessment period. Gene indicated that ultimately the Commission sets the surcharge but considers any recommendation made by this advisory committee. Once a recommendation is made by the committee it will be submitted along with the testimony provided by Commission staff at the surcharge hearing.

Motion by Kim Remington to recommend to the Commission that the monthly surcharge be set at four cents (\$.04) effective July 1. Seconded by Albert Sparks. Motion carried. Steve Stovall was directed to draft a letter to the Commission recommending the surcharge be reduced to four cents for Tami Richardson-Nelson's signature. The surcharge hearing is scheduled for March 13, 2012 at 1:30 pm in the Commission hearing room.

2) Equipment Program update – Steve Stovall. Steve Stovall indicated monthly expenditures for the equipment program appear to have declined. The twelve-month average for calendar year 2011 reflects \$20,240. The monthly projections beginning February 2012 reflect the recent decline. Steve indicated that the minutes of use projections for surcharge determination include further reductions in intrastate traditional relay and an increase in minutes

of use for CapTel service.

Nebraska Commission for the Deaf and Hard of Hearing (NCDHH) Comments:

1) Advisory Committee Members Terms – New Appointments; (Dr. Peter Seiler).

Dr. Seiler indicated that Kim Remington and Commissioner Tim Schram's term were scheduled to end. Amy Kasch replaces Dillard Delts who tendered his resignation. Dr. Seiler indicated that if Kim Remington and Commissioner Tim Schram agree to continue to serve, the proposal to reappoint will be presented at the March 9, 2012 NCDHH Board meeting.

Dr. Seiler indicated that a replacement is needed for an open position (formerly held by Art Nelson). This position represents the speech impaired community. Concerns were raised in finding qualified people to fill this vacancy. Steve Stovall indicated that recent relay data on speech-to-speech service reflect very low levels of use. Emma indicated this is a national trend – difficulties lie in identifying groups or associations to target awareness efforts. Emma also suggested that a hearing person with speech difficulties would be a good candidate for membership. The committee suggested identifying support groups at hospitals (for example, voice-box replacement groups) or Veteran's hospitals.

Sprint Telecommunications PowerPoint Presentation On Recent Activities (Emma Danielson): Emma Danielson shared a slide presentation with the committee and addressed the following issues:

1) Slide One – Nebraska Relay Promotion.

- Plans are in place updating the Nebraska Relay brochure. 3,000 copies will be provided. A proof will be provided to Steve and he will share with the advisory committee before going to final print;
- Pull up banners will be produced by Sprint that are more flexible and can be used at exhibits or expos;

2) Slide Two – TRS Session Minutes:

- Reasons for a decline in traditional relay are: increased Internet-based forms of relay, VRS, Mobile VRS and both landline and web-based CapTel service relay;

3) Slide Three – Nebraska CapTel Marketing:

- Emma indicated CapTel ads will be placed in the Nebraska Farmer's magazine four times in 2012;
- Sprint will have a booth at Husker Harvest Days (in Grand Island September 11-13, 2012);
- Details of a sponsorship arrangement with Husker Sports Marketing to promote CapTel on their talk shows for 2012 is currently being pursued;
- Suggestions were solicited for other media for awareness campaigns. The committee suggested the Omaha World Herald since it is the only state-wide newspaper and is a daily publication. This newspaper utilizes a variety of public

outlets including gas stations and convenience stores. A publication called “New Horizons,” a monthly publication was suggested. Senior citizens centers and Veterans hospitals may have support groups that offer opportunities to promote awareness;

4) Slide Four – CapTel Call Counts:

- CapTel call counts have increased from 7,000 in July 2009 to approximately 10,000 in January 2012. CapTel growth remains steady.

5) Slide Five – CapTel Customer Service:

- CapTel Customer Service is now available by phone 24 hours a day, 7 days a week. Customers can utilize the one-touch button feature on their CapTel phone, email, Online Chat or fax as well;

6) Slide Six - Nebraska Relay Outreach:

- Carol Manning serves as outreach specialist, part-time. An offer has been made for a second person and Sprint is waiting for approval from Advantage Human Resource (the agency that manages Sprint’s contractors);
- Sprint was an exhibitor at the Green Living Expo in Omaha in January, 2012 with NCDHH;
- They will provide an exhibit at the Omaha Health, Wellness and Fitness Expo on April 14-15 2012;
- They will also provide an exhibit at Husker Harvest Days in Grand Island on September 11-13 2012;

7) Slide Seven – Web Stats:

- No explanation could be given for the spike in hits on the website for July 2011.

8) Slide Eight – Sponsorships:

- Sprint sponsored the Deaf Missions’ 5K walk in the fall of 2011;
- Will sponsor the Nebraska School for the Deaf Alumni Association’s conference this summer 2012 and 2013;
- Sprint will add a sponsorship link to the Nebraska Relay website.

9) Slide Nine – Sprint Video Relay Service Update:

- Recent federal regulatory changes imposed on the VRS industry have necessitated Sprint to discontinue offering the service effective January 4, 2012. This service includes videophones, computers and mobile apps for wireless phones. Users who do not port their numbers by the deadline will be automatically ported to ZVRS;
- A list of available VRS providers can be found on the FCC website at <http://www.fcc.gov/encyclopedia/trs-providers>.

Emma indicated the following factors imposed by the FCC on the VRS industry impacted

Sprint's decision to leave the market: 1) Providers must own their own interpreters – in other words must be an employee of the company not just subcontracted; 2) Providers must own their own platform (routing and distribution network); 3) Own their own facilities and; 4) Additional annual reporting requirements.

Old Business:

1) Update On Discussion With Verizon Wireless and AT&T as Vendors For Portable Wireless Devices - Nebraska Specialized Telecommunications Equipment Program. Gene informed the committee that the Commission is completing a review process with AT&T to include them as a vendor. The Commission is still in discussions with Verizon. The Commission expects to add US Cellular and NE Colorado Cellular as well. Gene indicated a primary consideration is whether to implement multiple retail outlets or single point of contact for acquiring wireless devices. The Commission recognizes problems that exist with a multiple outlet solution including voucher and payment handling.

Tami Richardson-Nelson expressed concern regarding the five-year reapplication policy in the NSTEP program. The problem with cell phones/wireless devices is that minimum contract periods are two years so there is a mismatch between reapplying and wireless contract renewal. Tami would like to see two year reapplication renewals. Also, technology results in improvements that render existing equipment inadequate. Gene Hand and Nichole Mulcahy indicated that the five-year reapplication is statutory, so any changes would involve legislative action. It was determined that the committee would reconvene after Husker Harvest Days (September 11-13, 2012).

New Business: None.

Public Comment: None present.

Next Meeting: Next meeting has been scheduled for Friday, September 14, 2012 at 10:30 a.m. at the Public Service Commission hearing room. Topics for discussion will be update on wireless carriers in the NSTEP program and proposed legislation revising the reapplication term from five to two years for wireless applicants. Meeting adjourned at 4:15 p.m. by Tami Richardson-Nelson.

Respectfully submitted,
Steven G. Stovall - Staff Accountant
Nebraska Public Service Commission
March 6, 2012