

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 19A-0441T

IN THE MATTER OF THE APPLICATION OF THE FEDERAL HEIGHTS EMERGENCY COMMUNICATION CENTER FOR AN APPROVAL TO ESTABLISH A 911 SURCHARGE PURSUANT TO C.R.S. 29-11-102(2)(B).

DECISION GRANTING APPLICATION

Mailed Date: October 24, 2019
Adopted Date: October 23, 2019

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I. BY THE COMMISSION

A. Statement

1. On August 9, 2019, the City of Federal Heights (Applicant) filed an Application for 911 Surcharge Increase pursuant to § 29-11-102(2)(b), C.R.S., seeking approval of an emergency telephone surcharge of \$1.50 per service user per month (Application). Through this Decision, we grant the Application.

B. Background

2. The Applicant is a newly-formed 9-1-1 governing body, created by City of Federal Heights Ordinance No. 18-15. A “governing body” is defined by § 29-11-101(4), C.R.S., as the board of county commissioners of a county, or the city council, or other governing body of a city, city and county, town, or the board of directors of a special district. A governing body may impose charges within its jurisdiction for emergency telephone service. In this case, the Applicant was formed to fund the Public Safety Answering Point (PSAP) for the City of Federal Heights. This PSAP was previously funded by the Adams County E911 Emergency Telephone Service Authority (Adams), a special district government formed as an intergovernmental agreement in accordance with § 29-1-203, C.R.S. Adams funded both the City of Federal Heights PSAP and the Adams County Communications Center, Inc. (ADCOM).

3. The City of Federal Heights PSAP has operated separately from ADCOM, although ADCOM provides it with software and technical support. The Applicant states ADCOM recently required the City of Federal Heights PSAP to join ADCOM, or ADCOM would cease providing these support services. The Applicant states it chose instead to form its own 9-1-1 governing body to directly fund the City of Federal Heights PSAP.

4. On August 9, 2019, the Commission noticed the Application and established a 30-day period for intervention. No interventions or public comments were received.

5. On August 27, 2019, the Applicant filed proof of publication of newspaper notice of the Application, as required by Rule 4 *Code of Colorado Regulations* (CCR) 723-2-2147(d) of the Commission’s Rules Regulating Telecommunications Services and Providers of Telecommunications Services.

6. On September 11, 2019, the Commission deliberated on the Application at its Commissioners' Weekly Meeting. The Commission deferred decision on the merits of the Application after concluding that it required additional information to render a final decision. On September 19, 2019, the Commission issued Decision No. C19-0775-I, requesting certain additional information from the Applicant, and joining Adams as a party and requesting additional information from Adams. The Commission established October 10, 2019, as the deadline for responses. Both the Applicant and Adams filed timely responses to the Commission's request for additional information.

C. Responses to Decision No. C19-0775-I

7. In its response, the Applicant explains that it explored several options in order to compare the costs of maintaining a separate City of Federal Heights PSAP versus consolidating with ADCOM. The Applicant states that it found, after initial investments in the new Computer Aided Dispatch system and in Records Management Software, the cost of ongoing operations would vary little between maintaining a separate PSAP versus consolidating with ADCOM. The Applicant also provides comparative call answer times for the two PSAPs. The Applicant reports the City of Federal Heights PSAP answers calls within 10 seconds 95.31 percent of the time, and within 20 seconds 99.03 percent of the time. For comparison, the Applicant provides a 9News article from February 4, 2017, which reported that ADCOM answered only 61 percent of its calls within 10 seconds, below the national standard of answering 90 percent of 9-1-1 calls within 10 seconds. As to cost, the Applicant indicates it has historically offset the cost of its PSAP through General Fund dollars and it is committed to continuing to provide excellent service.

8. In its response, Adams states the proposed separation is not expected to create a financial hardship for Adams. Adams explains it estimates approximately \$200,000 is raised

annually by Adams from lines within the City of Federal Heights, and based on that estimate, appropriates that amount to the Applicant. As a result, Adams expects the separation will have minimal to no effect on Adams.

D. Findings and Conclusions

9. This uncontested Application is considered pursuant to the Commission's modified procedure, § 40-6-109(5), C.R.S., and the Commission's Rules of Practice and Procedure, 4 CCR 723-1-1403.

10. The Applicant is a governing body as defined in § 29-11-101(4), C.R.S. The Applicant's status as a governing body is established by City of Federal Heights Ordinance No. 18-15, included with the Application.

11. Pursuant to § 29-11-102, C.R.S., as a governing body, the Applicant may incur equipment, installation, and other costs directly related to the continued operation of emergency telephone service, and may pay such costs by imposing an emergency telephone charge in those portions of its jurisdiction for which emergency telephone service will be provided. Pursuant to § 29-11-104(2)(a)(I), C.R.S., these funds shall be spent solely to pay for: equipment directly related to the receipt and routing of emergency calls; monthly recurring charges for the emergency telephone service; reimbursement of costs for equipment changes necessary for the provision or transmission of wireless Automatic Number Identification or wireless Automatic Location Identification to a PSAP; costs related to the provision of emergency notification service and emergency telephone service; and other directly related costs. Funds may also be used for personnel expenses necessarily incurred for a PSAP. § 29-11-104(2)(b), C.R.S.

12. The Applicant is statutorily authorized to collect up to \$0.70 per month per exchange access facility, per wireless communications access, and per interconnected Voice over

Internet Protocol service to cover such costs. Pursuant to § 29-11-102(2)(b), C.R.S., if the Applicant determines a charge in excess of \$0.70 is necessary to provide continued and adequate emergency telephone service, it must obtain Commission approval prior to imposing the higher charge.

13. Currently, Adams assesses a monthly emergency telephone surcharge of \$1.50 in the Applicant's service territory. Adams received approval from the Commission to assess this higher surcharge through Decision No. C16-0889, issued September 29, 2016, in Proceeding No. 16A-0577T. The Applicant wishes to apply this same rate after separating from Adams on January 1, 2020. The Applicant provided documentation in its Application and in its response to Decision No. C19-0775-I supporting this request.

14. Based on the information in the Application, as supplemented by the responses received from the Applicant and Adams to the Commission's requests for additional information in Decision No. C19-0775-I, we will approve the requested emergency telephone surcharge of \$1.50 per service user per month.

15. We conclude the Applicant considered the comparative costs of maintaining its own PSAP and has committed to supporting the City of Federal Heights PSAP through general funds, as necessary. Although Commission Staff's analysis projected the City of Federal Heights PSAP will operate at a deficit of approximately \$1.1 million over the next five years, the Applicant indicated the City of Federal Heights is committed to funding any shortfall and providing excellent service. We find the Applicant also provided evidence that its PSAP is able to provide more efficient call answering times, based on the data presented by the Applicant. Finally, in rendering this decision, we also rely on Adams' representation in its response to

Decision No. C19-0775-I that the proposed separation of the City of Federal Heights PSAP from Adams will not create a financial burden on Adams.

16. We therefore agree with the Applicant's determination that a surcharge of \$1.50 is necessary in order to provide continued and adequate emergency telephone service, consistent with § 29-11-102(2)(b), C.R.S., and that the proposed expenses are allowable under § 29-11-104(2), C.R.S.

II. ORDER

A. The Commission Orders That:

1. The Application for 911 Surcharge Increase, filed by the City of Federal Heights (Applicant) on August 9, 2019, seeking to establish an emergency telephone surcharge of \$1.50 per service user per month, is granted.

2. The Applicant shall notify each affected service provider of the increase in the emergency telephone surcharge by registered mail at least 60 days prior to the new rate becoming effective.

3. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.

4. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
October 23, 2019.**

(S E A L)



ATTEST: A TRUE COPY



Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

JOHN GAVAN

Commissioners

COMMISSIONER FRANCES A. KONCILJA
ABSENT.