

Decision No. C22-0643

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 22A-0339T

IN THE MATTER OF APPLICATION OF THE PHILLIPS COUNTY 911 EMERGENCY TELEPHONE SERVICE AUTHORITY TO INCREASE THE EMERGENCY TELEPHONE CHARGE.

COMMISSION DECISION GRANTING APPLICATION

Mailed Date: November 07, 2022

Adopted Date: October 19, 2022

I. BY THE COMMISSION

A. Statement

1. By this Decision, the Commission grants the Application of the Phillips County 911 Emergency Telephone Service Authority (Applicant) seeking to increase its emergency telephone charge to \$4.00 per access line per month.

B. Discussion

2. On July 28, 2022, the Phillips County 911 Emergency Telephone Service Authority filed its application pursuant to § 29-11-102(2)(c), C.R.S., for approval of an emergency telephone charge increase from \$2.30 to \$4.00 per service user per month (Application).

3. On August 2, 2022, the Commission gave notice of the Application stating that parties wishing to participate in this Proceeding should file an Intervention or other appropriate pleading within 30 days after the date of the Notice.

4. On August 15, 2022, the Applicant filed an Affidavit attesting that it had published notice of the Application in a local newspaper, as required by Commission's Rules Regulating

Telecommunications Services and Providers of Telecommunications Services, 4 *Code of Colorado Regulations* (CCR) 723-2-2147 (d).

5. No interventions or public comments were filed or received in response to this Application.

6. By Decision No. C22-0545-I, issued September 14, 2022, the Commission noted that the largest cost referenced in the Application as the cause of the requested increase is a proposed expense of \$291,873 for the replacement of radio consoles for two radio positions at the Phillips County Communications Center, scheduled for calendar year 2026. The Commission found it necessary to seek additional information prior to considering the merits of the requested increase. Decision No. C22-0545-I directed the Applicant to file supplemental information by September 28, 2022, including: (1) a description of the process to obtain the quote from the vendor for the replacement of radio consoles, including whether additional quotes were sought or received and a description or copy of any additional quotes; (2) an explanation of what factors were used to select the quote if lower quotes were received; and (3) a statement indicating whether the Applicant has considered consolidating its Public Safety Answering Point (PSAP) with a neighboring PSAP to reduce costs, and if so a description of the outcome of those considerations

7. On September 20, 2022, the Applicant filed the requested supplemental information. In its response, the Applicant states that the quote for replacement of the radio consoles was obtained by requesting such a quote from the PSAP's current radio equipment vendor – Motorola. The Applicant explains that Motorola is the only radio console vendor approved for use with the State of Colorado Digital Trunked Radio System (DTRS), and that the Phillips County Communications Center is currently a participant in the DTRS.

8. In response to the Commission's inquiry on consolidation, the Applicant states that it has considered consolidation of its PSAP operations with neighboring PSAPs, but chose not to pursue this avenue due to (1) negative experiences regarding PSAP consolidation experienced by a neighboring PSAP, (2) difficulties that consolidation may pose due to the physical distances between the neighboring PSAPs and "the unique characteristics of each locale," (3) the lack of capacity of neighboring jurisdictions to absorb the Phillips County Communications Center's call taking and dispatching operations, (4) a desire to retain a workforce with local geographic knowledge of Phillips County, (5) a lack of financial resources necessary to implement a consolidation, and (6) a desire to maintain a local PSAP workforce to perform other duties that PSAP personnel currently undertake, such as answering non-emergency calls and handling walk-in contacts from residents. Additionally, the Application states that it has an agreement with a neighboring PSAP in the City of Sterling to provide recording services for the Phillips County Communications Center as a cost saving measure.

II. FINDINGS AND CONCLUSIONS

9. This uncontested application will be 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(16), C.R.S. The Applicant's status as a governing body is established by an Intergovernmental Agreement, a copy of which was included in the Application as Exhibit 6.

11. A governing body may incur equipment, installation, and other costs directly related to the continued operation of emergency telephone service pursuant to § 29-11-102, C.R.S.

As provided in paragraph (c) of subsection (2) of that statute, such allowable costs may be categorized as those necessary “in order to provide continued and adequate emergency telephone service.” Section 29-11-104(2), C.R.S., further enumerates the categories of expenses for which funds derived from emergency telephone charges may be expended.

12. Beginning January 1, 2023, a governing body is authorized to collect up to \$1.97 per month per exchange access facility, per wireless communications access, and per interconnected Voice over Internet Protocol service to cover such costs of service within its jurisdiction.¹ In the event that a governing body determines that a charge in excess of \$1.97 is necessary to provide continued and adequate emergency telephone service, the governing body shall obtain the approval of the Commission before imposing such higher charge. §29-11-102(2)(c), C.R.S.

13. Currently, the monthly emergency telephone charge is \$2.30 in the Applicant’s service territory. The Application seeks to increase the charge to \$4.00 per month.

14. The Application is supported by the affidavit and verification of the information filed with the Commission by the Applicant.

15. The Applicant funds one Public Safety Answering Point (PSAP), that being the Phillips County Communications Center.

16. The Applicant has determined that an increase in the emergency telephone surcharge is needed for several reasons, including: (1) capital equipment expenses, including upcoming radio console upgrades, and (2) increased operational expenses for personnel and vendor contracts.

¹ See Decision No. C22-0562.

17. The increase requested by the Applicant will increase revenues for the Applicant by an average of roughly \$86,000 per year, or about \$516,000 over the next six years. Without any increase, the Applicant will either exhaust its funds in 2023 or be forced to forgo some of its planned expenses. With the requested increase, assuming no unforeseen costs, funding should be sufficient for at least the next six years.

18. The additional information provided by the Applicant in response to Decision No. C22-0545-I further supports the Applicant's claim that the requested increase is necessary, and that other alternatives had been explored by the Applicant prior to filing the Application.

19. The expenses proposed by the Applicant for the additional revenue appear to comply with § 29-11-104, C.R.S., which establishes the allowable uses of emergency telephone charge funds.

20. Based on this evidence, the Commission agrees with the Applicant that additional funding that would be raised by a surcharge rate of \$4.00 is necessary in order to fund ongoing operation of the PSAP and to fund proposed expenses allowed pursuant to § 29-11-104(2), C.R.S.

III. ORDER

A. The Commission Orders That:

1. The Application of the Phillips County 911 Emergency Telephone Service Authority (Applicant) seeking to increase the emergency telephone charge to \$4.00 per access line per month is granted.

2. The Applicant shall notify each affected service provider of the increase in the emergency telephone surcharge 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 19, 2022.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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JOHN C. GAVAN

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Commissioners