**PENNSYLVANIA**

**PUBLIC UTILITY COMMISSION**

**Harrisburg, PA 17105-3265**

Public Meeting held June 11, 2015

Commissioners Present:

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| Gladys M. Brown, Chairman |
| John F. Coleman, Jr., Vice Chairman |
| James H. Cawley |
| Pamela A. Witmer |
| Robert F. Powelson |

Allegheny County’s 911 System Renewal Plan M-2015-2474615

**ORDER**

**BY THE COMMISSION:**

Before the Commission for consideration is the Allegheny County 911 System Renewal Plan, which requests a contribution rate of $1.00 per telephone access line per month. The Public Safety Emergency Telephone Act (Act), 35 Pa. C.S. §§ 5301-5398, established a statewide 911 emergency communication system whereby a person dialing "911" by telephone can be connected to a public safety answering point for the reporting of police, fire, medical or other emergency situations. The applicable provisions of the Act are outlined on the Public Utility Commission’s website and can be found at: <http://www.puc.pa.gov/utility_industry/telecommunications/911_service.aspx>.

**Discussion**

On March 30, 2015, we received Allegheny County’s 911 System Renewal Plan from the Pennsylvania Emergency Management Agency (PEMA).[[1]](#footnote-1) The County is not requesting any change in the current contribution rate of $1.00 per access line, per month. The Act requires that each county submit a “County plan” defined by the Act as a “document submitted by the county on a triennial basis to the Pennsylvania Emergency Management Agency, outlining its proposed and existing wireline and wireless 911 and [enhanced] 911 systems and procedures, including a contribution rate, for the forthcoming three years.” 35 Pa. C.S. § 5302.

The Commission's designated responsibilities with respect to the County's 911 System Renewal Plan consist of reviewing the contribution rate requested by the County, based on the costs of the plan, and forwarding a decision to PEMA. 35 Pa. C.S. § 5303(c). The Commission has 90 days from the date of the submission of the plan to provide its recommendation to PEMA as to whether the County's proposed contribution rate should be approved or modified. If the Commission fails to provide a decision with respect to the contribution rate within 90 days, the contribution rate proposed by the County will be deemed approved. 35 Pa. C.S. § 5305(e).

Allegheny County’s 911 service area has a population of approximately 1,231,527. The County is served by Verizon Pennsylvania LLC; Consolidated Communications of Pennsylvania Company; Armstrong Telecommunications Inc.; Windstream Pennsylvania, LLC; and various CLECs.

Allegheny County is classified as a Second Class County. Accordingly, pursuant to the Act, depending upon the reasonableness of the costs submitted in support of the contribution rate, Allegheny County could be permitted to impose a monthly contribution rate in an amount not to exceed $1.00 on each local exchange access line. 35 Pa. C.S. § 5302.

We have reviewed the County's contribution rate. The County projects its allowable annual nonrecurring expenses to be $328,065. This amount, when combined with its claimed 911 annual recurring expenses of $19,599,758, would result in a total average annual operating cost of $19,927,823 over the next three years. Based upon the allowable costs and the access line count, the actual contribution rate needed to fund the 911 System Renewal Plan would exceed the maximum allowable contribution rate. However, pursuant to the Act, Allegheny County is limited to a maximum allowable contribution rate of $1.00 per access line per month. 35 Pa. C.S. § 5302.

It is noted that the expenses listed in the County’s Triennial Plan of $984,194 in Section B.1.a. and $1,426,114 in Section B.1.b. (PSAP Equipment and CPE) as well the expenses in Section C.1.b. of $283,535 (Miscellaneous Costs) are based on Budgetary Estimates. Accordingly, PEMA is hereby requested to review these expenses in the County’s next triennial audit to ensure proper accounting treatment.

It is also noted that in accordance with 35 Pa. C.S. § 5308(b), no more than 70% of the contribution rate collected during each fiscal year may be utilized to fund Personnel Costs. Our review of these costs indicates that the County’s total Personnel Costs would exceed 70% of the annual revenue received from the County’s contribution rate. Accordingly, PEMA is hereby requested to ensure that Allegheny County abides by the provisions contained in 35 Pa. C.S. § 5308(b).

**Conclusion**

Based on our review of the County 911 System Renewal Plan, we find that the associated costs are in the public interest and that Allegheny County be permitted to impose a contribution rate not to exceed $1.00 on each local exchange access line. Our finding for the Allegheny County 911 Renewal Plan costs is strictly based on the scope of our jurisdictional review of 911 Plan contribution rates, in accordance with the relevant statutory provisions of the Act and related regulations. Thus, to the extent that PEMA has made a determination that the 911 System costs are eligible expenses, our finding of public interest simply considers such costs as eligible for recovery through a contribution rate. The $1.00 per access line per month rate will remain in effect until such time as the Commission approves a different rate consistent with the Act, in accordance with the Commission Order at Docket No. P-00961141 entered March 17, 1997;[[2]](#footnote-2)  **THEREFORE,**

**IT IS ORDERED:**

1. That Allegheny County’s contribution rate remains at $1.00 per telephone access line per month until such time as the Commission approves a different rate.

2. That this Order be forwarded to PEMA in accordance with The Public Safety Emergency Telephone Act, 35 Pa. C.S. § 5305:

9-1-1 Office

c/o Robert Mateff

Deputy Director for 9-1-1

Pennsylvania Emergency Management Agency

2605 Interstate Drive

Harrisburg, Pennsylvania 17110

3. That a copy of this Order be served upon Allegheny County’s 911 Coordinator. Allegheny County’s 911 Coordinator’s contact information may be found at: <http://www.puc.pa.gov/utility_industry/telecommunications/911_service.aspx>.

 4. That this case be marked closed.



**BY THE COMMISSION,**

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: June 11, 2015

 ORDER ENTERED: June 11, 2015

1. Section 303 of the Community and Economic Development Enhancement Act provides for the transfer of responsibility for the administration of the Act from the Department of Community Affairs (DCA) to PEMA. [↑](#footnote-ref-1)
2. This Order was prompted by a petition of PEMA for a declaratory order regarding the continued application of the 911 subscriber fee after three years in light of language in previous Commission orders which set the contribution rate for a period of three years. In the March 17, 1997 Order, the Commission concluded that “[i]t is evident that the contribution rate was never planned to terminate after three years, rather, the General Assembly intended that there would be rate stability regarding the subscriber fees.” The Commission also concluded that “the contribution rates approved by this Commission shall remain in effect, unchanged, until such time as we approve a different rate consistent with the provisions of the Emergency Telephone Act.” [↑](#footnote-ref-2)