

Item # [10](#)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Consumer Programs Branch**

**RESOLUTION T-17405
October 03, 2013**

R E S O L U T I O N

**Resolution No. T-17405 To Establish the Deaf and Disabled
Telecommunications Equipment and Service Program Budget (Public
Utilities Code Section 2881 Et Seq) for the 2014-15 Fiscal Year Budget.**

SUMMARY

This resolution recommends a Fiscal Year (FY) 2014-15 annual budget of \$63.1 million for the Deaf and Disabled Telecommunications Equipment and Relay Service Program, pursuant to Public Utilities (PU) Code Section 2881, *et seq.*

BACKGROUND

The California Public Utilities Commission (CPUC) established a program to provide specialized equipment to the deaf and hard of hearing through CPUC decisions issued in the 1980's.¹ Subsequently, the Legislature codified the program through passage of several provisions contained in Public Utilities (PU Code Sections 2881 *et seq.*). To implement the three legislative mandates at that time, the CPUC created the Deaf and Disabled Telecommunications Program (DDTP) and its advisory committees.² The legislative mandates currently governing the DDTP are as follows: PU Code Section 2881(a) which authorizes the provision of Teletypewriters (TTYs) to Deaf or Hard of Hearing individuals; PU Code Section 2881(b) which uses third-party intervention, also known as the California Relay Service (CRS) to connect by telephone consumers who are

¹ The statutory language uses the term "hearing impaired". The preferred term today is "hard of hearing", and that term is used in this resolution.

² The Commission currently is advised by the DDTP consumer advisory boards: the Telecommunications Access for the Deaf and Disabled Administrative Committee (TADDAC), now codified in PU Code section 278, and the Equipment Program Advisory Committee (EPAC), a subcommittee.

deaf, hard of hearing, or speech-impaired with other parties; and PU Code Section 2881(c) which authorizes the provision of other specialized telecommunications equipment to consumers with hearing, vision, mobility, speech, and/or cognitive disabilities. Assembly Bill 136 (AB 136, 2011) adds Speech Language Pathologists to the list of Program Certifying Agents and expands the program to include assistance to individuals with speech disabilities for provision of speech generating devices, accessories, mounting systems, and specialized telecommunications equipment. Further, Commission Decision 10-11-033 directs that wireless equipment become a permanent part of the Deaf and Disabled Telecommunications Program.

Senate Bill 669 (SB 669, 1999) created a special fund dedicated to the DDTP whose funds are maintained in the State Treasury. The DDTP is funded via a surcharge assessed against all charges for all intrastate services on end-user telephone bills in California.³ The current DDTP Surcharge rate is 0.20%.

Pursuant to statute, the CPUC administers and adopts policies which govern the DDTP. The CPUC has charged its Communications Division (CD) staff with the task of monitoring the administration of the DDTP. The CPUC's Primary Program and Contract Administrator for the DDTP (PPCA or DDTP Administrative Contractor) is the California Communications Access Foundation (CCAF), a private vendor. CCAF and all others providing equipment or services to the DDTP do so under contract to the State/CPUC, pursuant to state contracting and procurement rules.

In addition to the DDTP Administrative Contractor, the CPUC contracts for services from a number of other vendors including the following: sign language interpreters, captioners, voicers, braille, marketing vendor, equipment, contact center and warehouse operator, and relay providers.

Lastly, in addition to SGD and wireless program initiatives, the DDTP anticipates supporting the LightHouse for the Blind efforts as lead in California's response to the federal National Deaf Blind Equipment Distribution Program (NDBEDP) in fiscal year 2014-15.

DISCUSSION

Department of Finance (DOF) Audit

In 2012, auditors from the Department of Finance (DOF) conducted a budget process performance audit of six public purpose programs administered by the Communications

³ Participants in the CPUC's LifeLine program do not pay the DDTP surcharge.

Division (CD), including the DDTP. The DOF's audit report contained several recommendations and the Commission has followed those recommendations in the preparation of this budget resolution.

Budget Development Process

CD estimates a FY 2014-15 budget of \$63.1 million based on the following budget components for which appropriations will be established in the 2014 Budget Act:

1. 8660 State Operations, which consists of contracts; California Relay Service; DDTP Equipment; CPUC Administration; and Committees;
2. 0840 State Controller;
3. 6120 California State Library; and
4. 8880 Financial Information System for California .

Appendix A to the Resolution shows a comparison of the FY 2013-14 DDTP budget as adopted by Resolution T-17372 in Column F, and CD's proposed FY 2014-15 DDTP budget in Column G.

In TADDAC's letter to CD's director dated August 06, 2013, TADDAC and EPAC identified a list of program priorities with budget implications for the FY 2014-15 DDTP budget, which assisted Commission staff in developing the Program budget. The CD proposed budget of \$63.1 million as described below is sufficient to cover these FY 2014-2015 program priorities. Among TADDAC's recommendations were:

- *Wireless: the importance of maintaining a strong wireless program, including suggestions on how to improve the DDTP user experience with wireless devices and service;*
- *Landline: importance of maintaining and enhancing the DDTP user experience with landline devices and service;*
- *Core DDTP/CTAP/CRS Program Areas: need to ensure these are adequately funded and cover major program initiatives for FY 2014-15;*
- *Maintenance or support of other program initiatives, including SGDs, Visually Assisted Speech-to-Speech (VA STS), and National Deaf-Blind Equipment Distribution Program (NDBEDP);*
- *Marketing and Outreach: continued targeting of unserved and underserved populations, and changing demographics; and*
- *Other: suggestions on how to improve various other aspects of the DDTP.*

Overall, CD anticipates the DDTP user base to grow by 5% to 10% as a result of increased marketing and outreach efforts. These marketing and outreach efforts include a project to incorporate new bar codes onto DDTP certification forms that can be readily scanned and linked to new campaigns and outreach events. These enable the program to better understand increased efforts to target potential DDTP users that are unserved or underserved. The barcoding of the certification forms will also allow the DDTP Primary Program and Contract Administrator (PPCA), the Equipment Processing Center (EPC),

which includes the contact center and warehouse, and the Marketing Services Provider to better gauge and hone in on the effectiveness of ongoing marketing and outreach, campaigns, and events.

In determining the budget or projected FY 14/15 expenses for each specific DDTP program area, CD reviewed actual expenses incurred for the previous two fiscal years. For historical data, CD annualized the actual expenses based on the data available. For example, in FY 12/13, because only ten months of actual expenses were available at the time CD was performing its budget forecasting, CD was required to extrapolate the available data for the remaining two months to derive annualized expenses for FY 12/13.

After analyzing the annualized historical expense data for FY 11/12 and FY 12/13 at the program level, CD compared those figures to the adopted amounts budgeted for FY 12/13 and FY 13/14. These comparisons, in addition to other relevant factors, are used in the formulation of the budget in each particular expense area.

The breakdown of CD's proposed FY 2014-15 DDTP budget is as follows:

8660 STATE OPERATIONS

Contracts

Primary Program and Contract Administrator (PPCA)

The DDTP Administrative Contractor or PPCA performs the day-to-day operations and management of the DDTP, including both program and contract management. The PPCA also implements CPUC policies and directives.

For the previous two fiscal years based on annualized data, the actual contract expenses incurred annually have been relatively steady at \$14,564,199 and \$14,313,769 for FY 11/12 and FY 12/13 respectively. The amount budgeted for FY 13/14 in Resolution T-17372 was \$15.80 million and was based on the value of the prior PPCA contract.

The current new PPCA contract scope of work is from July 01, 2013 through June 30, 2014, with the option of two one-year extensions. The current new PPCA contract value is \$17.09 million per year and CD anticipates spending close to that amount each contract year. Each of the two 1-year extensions is \$17.09 million (i.e., there are no escalator provisions). Therefore, CD is recommending a budget of \$17.09 for PPCA expenses for FY 2014-15, the first of two 1-year extensions.

Equipment Processing Center (EPC)

The EPC contractor is responsible for providing contact center and warehouse services, and an inventory and customer tracking system, all of which support the operations of the DDTP. The current contract term is July 01, 2010 to June 30, 2013, with the option of two one-year extensions. The CPUC has exercised the first 1-year extension and will be on the last 1-year extension in FY 14/15.

For the previous two fiscal years based on annualized data, the actual EPC contract expenses incurred annually, based primarily on contact center volumes, have decreased from \$6,389,635 to \$5,637,241 from FY 11/12 to FY 12/13. The amount included in the budget for EPC in FY 13/14 in Resolution T-17372 was \$8 million, and was based on projections of contract expenditures and program growth at that time.

CD attributes the decrease in equipment contact center and warehouse volumes to a number of factors, which currently are being addressed, and CD expects will continue to be addressed, by focused marketing and outreach targeting to changing California demographics and technology. These factors include overall decline and reduced growth in landline usage and associated DDTP landline equipment as consumers switch to wireless and other technologies and changing demographics as Baby Boomers age.

Historically, the average yearly expense for FY 11/12 and FY 12/13 is \$6,013,438. CD projects this to increase at a rate of approximately 5% per year as the program grows and better targets unserved and underserved populations (e.g., non-English speaking persons with disabilities). Program-wide initiatives are being undertaken to support increased marketing and outreach efforts. These include an initiative to add bar codes to DDTP certification forms, and implementing systems and processes to track the origin of the certification forms. Predicated on the aforementioned trend and historical average yearly expense, and considering the increase in growth resulting from program initiatives, CD is recommending a budget of \$6.63 million for EPC expenses for FY 2014-15, a growth rate of 5% per year.

Marketing

The Marketing Services Provider (MSP) is charged with producing marketing campaigns that increase awareness of, and participation in, the DDTP. The current MSP contract term is from March 15, 2013 to April 14, 2015, with the option of one 1-year extension.

For the previous two fiscal years based on annualized data, the actual contract expenses incurred annually decreased from \$4,288,928 to \$3,085,846 from FY 11/12 to FY 12/13.

The amount budgeted for FY 13/14 in Resolution T-17372 was \$4,000,000, and was based on projections of contract expenditures at that time.

The prior Marketing Services Provider contract was capped at a maximum of \$11,763,360.00 for three years and the funds were fully used by the end of the contract term. The current Marketing Services Provider contract was awarded, via a competitive bidding process, for an amount not to exceed \$6,051,575 for two years. Similar to the previous Marketing Services Provider contract, CD anticipates the current Marketing Services Provider expenses approximating the contract value, with perhaps slightly higher costs in the initial year. Thus, CD is recommending a budget of \$3.35 million for Marketing Services Provider expenses for FY 2014-15.

Rents and Leases

The DDTP has lease agreements to rent various facilities required for DDTP operations. These include the DDTP headquarters, the seven service centers, and three satellite offices throughout the state.

For the previous two fiscal years based on annualized data, the actual leases expenses incurred annually have exhibited upward growth at \$1,340,134 and \$1,502,139 from FY 11/12 to FY 12/13. The amount budgeted for FY 13/14 in Resolution T-17372 was \$1.50 million and was based on projections of lease expenditures at that time.

The lease agreements contain standard State terms and conditions, including a starting base rent and annual escalators. The total rent, including escalators, for all DDTP lease agreements in FY 14/15 is projected to be \$1.51 million.

Technical Consultant

Historically, the technical consultant contract provides technical consulting services for the more complex technical aspects of the telecommunications-related public programs, including the DDTP. These services include providing support for strategic planning, as well as technical aspects of program design and contract administration.

For the previous two fiscal years based on annualized data, the actual contract expenses incurred annually have exhibited upward growth at \$189,477 and \$256,066 for FY 11/12 and FY 12/13 respectively. The amount budgeted for FY 13/14 in Resolution T-17372 was \$200,000, and was based on projections of contract expenditures at that time.

CD anticipates annual technical consultant expenses to more closely resemble those of FY 12/13. Thus, CD is recommending a budget of \$250,000 for technical consultant expenses for FY 2014-15.

Accommodations

This category consists of various types of Americans with Disabilities Act (ADA)-mandated accommodations provided to DDTP committee members, PPCA staff including outreach staff, and to support required meetings with other DDTP contractors. An example would be an ASL interpreter translating, in real-time, a presentation from an equipment manufacturer during a committee meeting to committee members, PPCA staff, and those in the audience who are Deaf. Other accommodations include Braille, voicing, personal assistance required for visually or mobility impaired committee members, and captioning.

For the previous two fiscal years based on annualized data, the actual expenses for all accommodation contracts incurred annually decreased from \$264,954 to \$166,159 from FY 11/12 to FY 12/13 respectively. The amount budgeted for FY 13/14 in Resolution T-17372 was \$300,000, and was based on projections of contract expenditures at that time.

Although the actual expenses for FY 11/12 and FY 12/13 show a decreasing trend in annual contract spending for this period, this number is very sensitive to the specific composition of the committees (i.e., TADDAC and EPAC), the number of committee and other meetings, the extent to which voicers, brailers, and/or personal attendants are required. For example, this includes whether there is a need for Brailled material, a need for tactile interpreting for deaf-blind committee members, and a need for subcommittee or offsite meetings on major program initiatives such as wireless. Given the nature of the program, the need for accommodations, and the sensitivity of these projections to a variety of factors, CD recommends a budget of \$220,000 for accommodation expenses for FY 2014-15, which represents an average of the annualized actuals for FY 11/12 and FY 12/13.

Claims

Claims are DDTP expenses incurred by landline carriers to accommodate specific services for the Deaf and the disabled. Examples include three-way calling and speed-dialing.

For the previous two fiscal years based on annualized data, the actual claims incurred annually exhibited downward growth at \$251,287 and \$212,581 from FY 11/12 to FY 12/13. The amount budgeted for FY 13/14 in Resolution T-17372 was \$250,000, and was based on projections of contract expenditures at that time.

Due to the variable nature of carrier claims, CD believes that it would be reasonable to maintain an amount approximating the annualized actuals for FY 12/13. Thus, CD is recommending a budget of \$210,000 for claims expenses for FY 2014-15.

California Relay Service (CRS)

CRS provides specially-trained relay operators to relay conversations between people who are deaf, hard of hearing, or speech-disabled with those they communicate with by telephone. CRS is currently provided under contract by two relay providers, Hamilton Relay and AT&T Relay. Network services are provided by Verizon.

Hamilton Relay and AT&T Relay began providing CRS services on June 2, 2010. Their contracts were approved for a 3 year term (June 2, 2010 to June 1, 2013) with the option of 2 one-year extensions (i.e., from June 2, 2013 to June 1, 2014 and June 2, 2014 to June 1, 2015). The contracts are currently in their first one year extension. Reimbursement rates for each extension are adjusted by an inflation index (escalator). For 2013 to 2014, the escalator was 1.9%. The escalator for the next and final extension can be estimated for planning purposes to be at 2.5%.

For the previous two fiscal years based on annualized data, the actual contract expenses incurred annually for CRS contracts decreased from \$11,761,393 to \$10,558,016 for FY 11/12 and FY 12/13 respectively. The amount budgeted for FY 13/14 in Resolution T-17372 was \$13 million and was based on projections of contract expenditures at that time.

Historically, the average yearly expense for FY 11/12 and FY 12/13 is \$11,159,704.62. Although there appears to be a declining trend with the CRS usage, CD anticipates two factors which will increase these expenses: 1) an increase in captioned telephone usage and 2) an increase in Spanish CRS usage. Thus, to account for the aforementioned increases in CRS traffic, CD is recommending a budget of \$10.84 million for CRS expenses for FY 2014-15, which represents a little over 2% above the annualized actuals for FY 12/13.

DDTP Equipment

Equipment

Equipment includes all DDTP program equipment with the exception of Speech Generating Devices (SGDs) and wireless devices, which are separately identified. Examples of DDTP equipment include amplified phones, speaker phones, captioned telephones, and TTYs or teletypewriters.

For the previous two fiscal years based on annualized data, the equipment expenses incurred annually have exhibited downward growth from \$5,986,334 to \$5,326,840 from FY 11/12 to FY 12/13. The amount budgeted for FY 13/14 in Resolution T-17372 was \$9 million, and was based on projections of equipment expenditures at that time.

While equipment purchases decreased during this period, CD notes that equipment expenses are difficult to project. One reason is that equipment is typically purchased in bulk, and purchases are made when inventory levels need replenishment, equipment modes are discontinued, or when new product lines responsive to consumer needs are introduced, which may not necessarily coincide with a particular fiscal year. For example, if a large order is placed on June 15th of any given year, the DDTP may receive the shipment prior to June 30th (i.e., the end of the fiscal year) or after, but may not be invoiced for the purchase until the subsequent fiscal year. Thus, it is difficult to develop or identify historical baseline data.

Given the challenges of predicting equipment expenses, CD believes that it would be reasonable to maintain a budget amount which is the average of the annualized actuals for FY 11/12 (\$5.986 million) and annualized actuals for FY 12/13 (\$5.327 million) plus 5% growth for each of two years. Thus, CD is recommending a budget of \$6.24 million for equipment expenses for FY 2014-15.

Wireless

There have been numerous challenges in incorporating wireless equipment into the DDTP on a permanent basis, primarily contracting and procurement. It is common in the wireless industry to bundle phones and service plans into a single purchase. This allows wireless providers to offer phones at a substantial discount to consumers. By statute, the DDTP can provide wireless equipment only. Recipients of the DDTP/CTAP wireless equipment are responsible for paying for their own monthly service charge which is often a large barrier to consumers maintaining wireless service. Additionally, the wireless industry is dynamic with wireless providers changing models frequently, a

business model that does not always readily sync up with the state-required contracting and procurement processes. Based on input from committee members and others, initial wireless distribution was targeted to:

- distribution of these devices to eligible DDTP/CTAP customers who have no landline service in their area but could receive wireless signal;
- those who are new to the program or who may have already been certified as eligible, but have not received any equipment from the program; and
- those customers who have returned their CTAP equipment to the Program and currently have no CTAP equipment, or contacted CTAP to return their landline phones because they no longer have landline service or the phone does not meet their needs. This exchange should be made in conjunction with a reassessment.

As a result, actual wireless expenses have lagged projected. While wireless expenses occurred in earlier fiscal years, there were no wireless expenditures in FY 11/12 as the permanent wireless program had not yet been deployed. There were limited expenditures in FY 12/13 (\$12,744) versus the projected \$2 million budgeted in Resolution T-17372 for FY 13/14.

When CD budgeted \$2 million in Resolution T-17372 for wireless expenses in FY 13/14, there was a reasonable expectation that the wireless program would be fully implemented during that fiscal year. However, CD has encountered a number of challenges with implementing the wireless program. After the procurement process with a wireless provider to distribute one of their devices was completed, the wireless provider informed CD that the device would be discontinued approximately three months after the contract start date. This required CD to assess alternative devices, and when one was identified, the wireless carrier indicated that the supply of the devices would not be sufficient. Another example involves smart phones with physical keyboards where the cost of the service plan is a barrier for some DDTP users. CD has been working with wireless providers on the service plan cost issue. Consequently, the challenges described above delayed full implementation of the wireless program in FY 12/13.

Despite the challenges encountered thus far with implementation, CD expects these to be resolved in FY 14/15. Hence, to meet the projected demand for wireless equipment, CD recommends maintaining the FY 13/14 budget of \$2 million for FY 14/15.

Speech Generating Devices (SGDs)

Per AB 136 (2011), the Commission is to expand the DDTP, as a funder of last resort, to include SGDs. To meet the legislative requirement to adopt program rules to implement the SGD program by January 01, 2014, the Commission issued Order Instituting Rulemaking (R. 13-03-008). As this is a major program initiative, comments have been solicited in the formal proceeding as well as in SGD working groups. The Commission requested and received an additional \$11.60 million of budget authority via a Budget Change Proposal (BCP) reflecting additional funding and staff needed to support this new program. Thus, CD is recommending a budget of \$11.60 million for SGD expenses for FY 2014-15. FY 14/15 is expected to be the first full year of this program.

CPUC Administration (includes CPUC Staff Costs)

CPUC Administration includes staff costs (salaries and benefits) of those CPUC staff persons who work on DDTP. These staff costs are projected to be \$1,559,300 for FY 14/15. Administration costs also include other costs allocated to the program, including Interagency Fees (\$418,000), IT (\$23,024) and Audit (\$408,000). CPUC administrative costs, including these other allocated costs for FY 14/15, are \$2.41 million.

Committees

The DDTP consumer advisory committees described earlier (i.e., TADDAC and EPAC) provide recommendations to the Commission with regard to the DDTP. The committees typically meet monthly at the DDTP headquarters in Oakland, and occasionally hold offsite meetings.

For the previous two fiscal years based on annualized data, the committee expenses incurred annually increased from \$46,396 to \$55,519 for FY 11/12 and FY 12/13 respectively. The amount budgeted for FY 13/14 in Resolution T-17372 was \$54,000, and was based on projections of committee expenditures at that time.

CD anticipates that annual committee expenses will continue to grow due to overall increase in travel costs, including the need for periodic subcommittee or other meetings and additional travel costs for any offsite meetings. Thus, CD is recommending a budget of \$70,000 for committee expenses for FY 2014-15.

0840 STATE CONTROLLER

This item reflects funds identified for the State Controller's Office which were \$12,000 in FY 11-12 and \$7,000 in FY 12-13. CD's proposed budget for FY 14/15 shows \$12,000 for this line item.

6120 CALIFORNIA STATE LIBRARY

The California State Library is the state's information hub, preserving California's cultural heritage and connecting people, libraries and government to the resources and tools they need to succeed and to build a strong California. This item reflects funds for the California State Library and has remained steady at \$552,000 during fiscal years 11-12 and 12-13. CD's proposed budget for FY 14/15 shows \$552,000 for this line item.

8880 FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA

This item reflects funds for the Financial Information System for California (Fi\$Cal). Fi\$Cal is an information technology (IT) project managed by a partnership of Department of Finance, the State Treasurer's Office, the State Controller's Office, and the Department of General Services. The purpose of this project is to create and implement a new statewide financial system. Fi\$Cal spending was \$41,000 in FY 11-12 and \$160,000 in FY 12-13. CD's proposed budget for FY 14/15 shows \$160,000 for this line item.

Safety Issues

The DDTP provides specialized telecommunications equipment and relay services through the California Telephone Access Program (CTAP) and California Relay Service (CRS). Persons who are challenged using a standard telephone because of difficulty seeing, hearing, speaking, moving, or remembering can obtain specialized devices through CTAP.

Access to CTAP equipment provides persons with disabilities access to 911 and emergency services in the event of an emergency. Without these specialized devices, these individuals may have no other means to access 911 and emergency services, or to make medical and other safety-impacting calls, since they are unable to use a standard telephone. Additionally, CRS provides access to the relay service for persons who deaf, hearing impaired, or speech-disabled to enable them to make medical and other safety-impacting calls, and to stay connected to family and friends.

Total DDTP FY 2014-15 DDTP Budget

CD's proposed FY 2014-15 DDTP budget of \$63.1 million is reasonable and should be adopted.

COMMENTS

In compliance with PU Code § 311 (g), copies of the notice letter for the draft Resolution were e-mailed on September 03, 2013 to all telecommunications carriers, the parties of record to Investigation (I.) 87-11-031, Rulemaking (R.) 00-05-001, R.03-03-014, for whom e-mail was available, as well as members of the Telecommunications Access for the Deaf and Disabled Administrative Committee (TADDAC) and members of the Equipment Program Advisory Committee (EPAC). The notice informed these parties that this draft Resolution is available at the CPUC's website: www.cpuc.ca.gov and is available for public comment. In addition, CD informed these parties of the availability of the conformed resolution at the same website.

No comments were received.

FINDINGS AND CONCLUSIONS

1. The California Public Utilities Commission (CPUC) established a program to provide specialized equipment to the Deaf and hard of hearing through CPUC decisions issued in the 1980's.
2. The Legislature codified the program through passage of several statutory provisions contained in PU Code Sections 2881 *et seq.*
3. PU Code Section 2881(a) authorizes the provision of TTYs to deaf or hard of hearing individuals.
4. PU Code Section 2881(b) authorizes the use of third-party intervention, also known as the California Relay Service (CRS) to connect by telephone consumers who are deaf, hard of hearing, or speech-impaired with other parties.
5. PU Code Section 2881(c) authorizes the provision of other specialized telecommunications equipment to consumers with hearing, vision, mobility, speech, and/or cognitive disabilities.

6. Assembly Bill 136 (AB 136, 2011) adds Speech Language Pathologists to the list of Certifying Agents and expands the program to include assistance to individuals with speech disabilities for provision of speech-generating devices, accessories, mounting systems, and specialized telecommunications equipment.
7. Commission Decision 10-11-033 directs that wireless equipment become a part of the Deaf and Disabled Telecommunications Program's California Telephone Access Program (CTAP).
8. The Communications Division's (CD) estimate of \$63.1 million for the Fiscal Year (FY) 2014-15 DDTP budget, as set forth in Column G of Appendix A, is reasonable for the DDTP and should be adopted.
9. Copies of the notice letter for the draft Resolution were e-mailed on September 03, 2013, to the parties of record to Investigation (I.) 87-11-031, Rulemaking (R.) 00-05-001, R.03-03-014, members of the Telecommunications Access for the Deaf and Disabled Administrative Committee (TADDAC) and members of the Equipment Program Advisory Committee (EPAC).
10. The FY 2014-15 budget adopted today is subject to final appropriations adopted in the Budget Act of 2014 for 8660 Public Utilities Commission (State Operations), 6120 California State Library, 0840 State Controller (State Operations) and 8880 Financial Information System for California (State Operations).
11. The appropriations adopted in the Budget Act of 2014, if different from the adopted FY 2014-15 budget, will supersede the FY 2014-15 Budget adopted in this resolution.

THEREFORE, IT IS ORDERED that:

1. The Fiscal Year 2014-15 budget for the Deaf and Disabled Telecommunications Program of \$63.1 million, as set forth in Column G of Appendix A of this resolution, is adopted. Communications Division staff is authorized to modify the FY 2014-15 expense budget adopted today to conform to the final appropriations adopted in the Budget Act of 2014 for 8660 Public Utilities Commission (State Operations), 6120 for California State Library, 0840 State Controller (State Operations) and 8880 Financial Information System for California (State Operations).

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the California Public Utilities Commission (CPUC) at its regular meeting on October 03, 2013. The following Commissioners adopted it:

PAUL CLANON
Executive Director

Agenda ID 12358 ([Rev. 1](#))

Item # [10](#)

APPENDIX A

Budget for Equipment and Services Provided to the
Deaf and Disabled Telecommunications Program
Fiscal Year 2014-15

	A	B	C	D	E	F	G
	Budget Categories Under Governor's Budget	Budget Categories Under Resolution T-17372 for FY 13-14	Budget Categories Under Resolution T-17405 for FY 14-15	Annualized Actuals for FY 11/12 (\$ Dollars)	Annualized Actuals for FY 12/13 (\$ Dollars)	Amount Budgeted Under Resolution T-17372 for FY 13-14 (\$ in millions)	CD Proposed Amount Budgeted for Resolution T-17405 for FY 14-15 (\$ in millions)
1	8660 State Operations	Delivery of DDTP Services	PPCA	14,564,199	14,313,769	15.80	17.09
2		DDTP Administrative	EPC	6,389,635	5,637,241	8.00	6.63
3		Contractor (including	Marketing	4,288,928	3,085,846	4.00	3.35
4		service center and	Rents & Leases	1,340,134	1,502,139	1.50	1.51
5		outreach); and other	Technical Consultant	189,477	256,066	0.20	0.25
6		DDTP contracts including	Accommodations	264,954	166,159	0.30	0.22
7		marketing	Claims	251,287	212,581	0.30	0.21
8			SubTotal	27,288,614	25,173,801	30.05	29.26
9		California Relay Service	CRS	11,761,393	10,558,016	13.00	10.84
10		Equipment Purchases	Equipment	5,986,334	5,326,840	9.00	6.24
11			Wireless	N/A	12,744	2.00	2.00
12			SGDs	N/A	N/A	6.40	11.60
13		CPUC Staff and	Staffing	1,026,815	1,559,300	1.38	2.41
14		Administrative Costs	IT Budget	49,091	23,024		
15			PayPhone Staffing	35,866	N/A		
16			Audit		408,000		
17			Interagency Fee		418,000		
18		TADDAC				0.31	
19		EPAC	Committees	46,396	55,519	0.11	0.07
20		TPIC				0.12	
21		Subtotal				62.42	62.41
22	0840 State Controller	0840 State Controller	0840 State Controller	12,000	7,000		0.01
23	6120 California State Library	6120 California State Library	6120 California State Library	552,000	552,000	0.72	0.55
24	8880 Financial Info Syst for CA	8880 Financial Info Syst for CA	8880 Financial Info Syst for CA	41,000	160,000		0.16
25	Total Program Expenditures:		18	46,799,509	44,254,244	63.14	63.14

Document comparison by Workshare Compare on Tuesday, October 01, 2013
11:00:11 AM

Input:	
Document 1 ID	file:///d:/lp3/Desktop/Comment Res T-17405 DDTP Fiscal Year 14-15 Budget Resolution.doc
Description	Comment Res T-17405 DDTP Fiscal Year 14-15 Budget Resolution
Document 2 ID	file:///d:/lp3/Desktop/T-17405 DDTP FY 14-15 Budget Resolution (Rev. 1).doc
Description	T-17405 DDTP FY 14-15 Budget Resolution (Rev. 1)
Rendering set	Standard

Legend:	
	<u>Insertion</u>
	Deletion
	Moved from
	Moved to
	Style change
	Format change
	Moved deletion
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	19
Deletions	6
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	25