

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**March 30, 2006**

**IN RE:**

**DOCKET FOR THE PURPOSE OF  
RECEIVING PETITIONS FOR DESIGNATION  
OF STATEWIDE 2-1-1 PROVIDER PURSUANT TO  
PUBLIC CHAPTER 762 OF THE ACTS OF 2004**

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**DOCKET NO.  
04-00342**

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**ORDER DESIGNATING TENNESSEE ALLIANCE OF INFORMATION AND REFERRAL  
SYSTEMS AS STATEWIDE 2-1-1 COLLABORATIVE AND AWARDED ONE-TIME  
GRANT PURSUANT TO TENN. CODE ANN. § 65-4-301(a)(2)**

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This matter came before Chairman Ron Jones, Director Pat Miller and Director Sara Kyle of the Tennessee Regulatory Authority (the "Authority" or "TRA"), at a regularly scheduled Authority Conference held on March 20, 2006 to consider a one-time grant of up to \$400,000 to Tennessee Alliance of Information and Referral Systems ("TNAIRS"), the designated statewide referral network providing information and referral services via an abbreviated dialing code.<sup>1</sup>

**BACKGROUND**

On May 24, 2004, Chapter 762 of the Tennessee Public Acts of 2004 ("Chapter 762")<sup>2</sup> became effective, establishing a two step process by which the Authority is to 1) designate an entity to serve as the 2-1-1 Collaborative ("Collaborative") to run a statewide network which anyone in Tennessee can access by dialing "2-1-1" and then be referred to information and other social services

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<sup>1</sup> On July 31, 2000, the Federal Communications Commission ("FCC") granted a petition filed by community information and referral service providers seeking nationwide assignment of an abbreviated dialing code. "Abbreviated dialing codes enable the caller to connect to a location in the network that otherwise would be accessible only via a seven or ten-digit telephone number." *The Use of N11 Codes and Other Abbreviated Dialing Arrangements*, CC Docket No. 92-105, *Third Report and Order and Order on Reconsideration*, 15 FCC Rcd. 16753, Para. 3 (July 31, 2000). In the instant matter, the purpose is to enable anyone in the state of Tennessee to simply dial "2, 1, and 1" in order to be connected immediately with the information and referral network.

<sup>2</sup> Chapter 762 is codified at Tenn. Code Ann. § 65-4-117(b) and § 65-4-301(a)(2).

agencies and 2) allocate one-time public funds from the public utility account to assist in the start-up of the Collaborative. Chapter 762 directed the TRA to designate the Collaborative no later than December 31, 2004. As the second step in the process, after notice by the Authority, additional proceedings must be held to consider a one-time grant not to exceed \$400,000 to the Collaborative to defray the start-up costs of establishing the statewide referral network.

On October 11, 2004, during a regularly scheduled Authority Conference, the Authority opened this docket to establish criteria to be considered for the designation of the Collaborative, to issue a notice soliciting petitions that request designation as the Collaborative and to award the one-time grant to the Collaborative, subject to any hearings that might be required pursuant to Chapter 762. On November 1, 2004, the Authority issued a public notice informing entities interested in being considered as the 2-1-1 Collaborative to file a petition with the Authority no later than November 22, 2004. The notice outlined specific areas to be addressed in all petitions seeking designation as the Collaborative: the petitioner's financial status, technical ability and managerial capability; plan for statewide coverage; identification of collaborative members; and a list of start-up expenses. Only one entity, TNAIRS, responded to the notice and submitted a petition requesting designation. At a regularly scheduled Authority Conference held on December 13, 2004, the Directors unanimously designated TNAIRS as the statewide 2-1-1 Collaborative.<sup>3</sup>

The Authority's second step is to allocate the one-time grant of up to \$400,000 from the TRA's Public Utilities Account to assist the Collaborative with start-up costs. Tenn. Code Ann. § 65-4-301(a)(2) states:

In addition, the Tennessee regulatory authority may grant, on a one-time basis, an amount not to exceed four hundred thousand dollars (\$400,000) from the public utilities account, as defined in § 65-4-307, to the 2-1-1 collaborative for the purpose of defraying start-up costs associated with the establishment of 2-1-1 telephone service to cover all parts of the state of Tennessee. Such grant may be made only

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<sup>3</sup> The Directors stated that this designation does not provide blanket approval to prospective 2-1-1 providers included in the TNAIRS petition for the unserved areas of the state. Any entity seeking to provide 2-1-1 service must file the necessary petition with the TRA to obtain authority to provide 2-1-1 service for the requested area.

after public notice is provided by the Tennessee regulatory authority, specifically giving all public utilities, which are currently doing business in this state and subject to the control and jurisdiction of the authority, the opportunity to raise objection to such grant. The authority shall consider any objection timely filed in response to the authority notice prior to making such grant.

TNAIRS filed an additional petition on February 18, 2005 requesting temporary suspension of this Docket; this petition stated that the Knoxville 211 Call Center had suspended operations and that TNAIRS would not be able to submit a budget for statewide development until resolution of the Knoxville 2-1-1 operating issues. On November 29, 2005, TNAIRS filed its *Amended Petition for 2-1-1 Statewide Coverage* ("Amended Petition") and the associated budget, which included a request for \$400,000.

In the *Amended Petition*, the Petitioner asserts that: 1) it is the state affiliate of the national Alliance of Information and Referral Systems; 2) it exists to improve access to services for all people through information and referral services; 3) it subscribes to standards set forth by the National 211 coalition; and 4) it will abide by the FCC guidelines for provisioning 2-1-1 service.<sup>4</sup> TNAIRS provided in the *Amended Petition* support for its budget, showing how the grant will be spent and submitting a detailed plan for launching the statewide network. TNAIRS states that its *Amended Petition* for statewide coverage includes call centers in Kingsport, Chattanooga, Nashville, Columbia, Murfreesboro, Memphis, Tullahoma, Jackson, Johnson City and Clarksville.<sup>5</sup> As of March 20, 2006, the Authority had approved or had petitions pending for all counties in Tennessee to be served with 2-1-1 service.<sup>6</sup>

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<sup>4</sup> *Amended Petition*, p. 2 (November 29, 2005).

<sup>5</sup> *Id.*

<sup>6</sup> The approved Petitions include Docket Nos. 99-00743, Knox Helpline; 02-00126, Contact Ministries; 02-00127, Contact Concern; 02-00784, The Center for Nonprofits of Chattanooga; 03-00383, United Way of Metropolitan Nashville, Inc.; 04-00058, Amendment to United Way of Metropolitan Nashville, Inc.; 05-00317, United Way of West Tennessee; 05-00275, Contact Lifeline of the Highland Rim; and 04-00008, Memphis Shelby County Public Library. Pending Petitions include Docket Nos. 06-00025, Clarksville/Montgomery County Crisis Intervention Center; 05-00141, Helping Hands Home Assistance; 06-00057, Amendment of Memphis Shelby County Public Library; 06-00045, Amendment of United Way of Metro Nashville; and 06-00065, Center for Nonprofits.

TNAIRS provided a detailed budget for the start-up costs by call center. Approximately 84% of the entire budget presented to the Authority is dedicated for the purchase of new telecommunications equipment, central office switching and database software and creation.<sup>7</sup> The telecommunications equipment includes software for current call center systems to route calls properly, headsets for efficiency and redundancy equipment to set up remote locations.<sup>8</sup> These expenditures will allow TNAIRS and associated 2-1-1 call centers to meet national Alliance of Information and Referral standards. The database software and creation includes research to create databases for the new call centers and the merging of the call centers to eliminate redundancy.<sup>9</sup> In addition, TNAIRS has requested that the TRA utilize United Way of Metropolitan Nashville as the fiscal agent for the start-up costs, as TNAIRS does not have the staff to handle large grants.<sup>10</sup>

On March 10, 2006, the Authority issued a Notice of Filing and Hearing, pursuant to Tenn. Code Ann. § 65-4-301(a)(2), to all public utilities operating in the State of Tennessee. The Notice stated that the TRA would be considering the allocation of the one-time grant to TNAIRS at the March 20, 2006 Authority Conference and instructed any public utility desiring to raise an objection to file a written objection no later than March 17, 2006 or attend the Conference on March 20, 2006.

#### **MARCH 20, 2006 AUTHORITY CONFERENCE**

After a review of the costs presented and the supporting documentation, the Authority concluded that the TNAIRS budget, as presented, is reasonable to cover the documented start-up costs. Furthermore, the Authority has received petitions for the provision of 2-1-1 telephone service to all counties not currently served in Tennessee from members of the TNAIRS Collaborative. Finally, no public utilities have raised any objection to the award of the one-time grant to TNAIRS. The Directors voted unanimously to grant \$400,000 to TNAIRS, pursuant to Tenn. Code Ann. § 65-

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<sup>7</sup> *Amended Petition*, pp. 8-9 (November 29, 2005).

<sup>8</sup> *Id.* at 8.

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* at 7.

4-301(a)(2), as a one time grant to assist TNAIRS with start-up costs for 2-1-1 telephone service in Tennessee. The Directors also voted to approve TNAIRS' request to allow United Way of Metropolitan Nashville to act as the fiscal agent for distribution of the start-up costs.

**IT IS THEREFORE ORDERED THAT:**

1. The Tennessee Alliance of Information and Referral Systems is designated as the statewide 2-1-1 Collaborative.
2. The Tennessee Alliance of Information Referral Systems as the 2-1-1 Collaborative is awarded a one-time grant in the amount of four hundred thousand dollars (\$400,000) for the purpose of defraying start-up costs associated with the establishment of 2-1-1 telephone service to cover all parts of the State of Tennessee.
3. United Way of Metropolitan Nashville shall serve as the fiscal agent for TNAIRS for the distribution of the start-up costs.



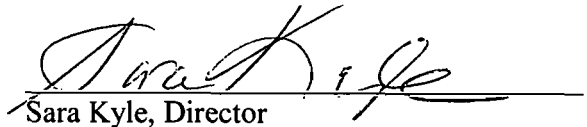
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Ron Jones, Chairman



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Pat Miller, Director



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Sara Kyle, Director