BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION NASHVILLE, TENNESSEE MAY 10, 1996

IN RE:

PROCEEDING TO ESTABLISH A DUAL PARTY RELAY SYSTEM

TO PROVIDE TELECOMMUNICATIONS ACCESS FOR THE

HEARING AND COMMUNICATION IMPAIRED

DOCKET NO.:

89-03796

This matter is before the Tennessee Public Service Commission upon its own motion to continue telecommunications relay service in the State of Tennessee.

BACKGROUND

Telecommunications relay service (TRS) was commenced in Tennessee as of September 24, 1990, pursuant to the provisions of the orders of the Commission in this docket.

AT&T Communications of the South Central States, Inc. (AT&T) has been providing TRS out of the Tennessee Relay Center under a three-year contract entered into with the state's non-regulated and TPSC regulated local exchange telephone companies with the approval of the Commission. This three year contract for TRS service is due to expire on September 25, 1996. A previous three year contract with AT&T expired September 24, 1993.

As set out in the September 7, 1993 order of this Commission in this docket:

A competitive bidding process was commenced on February 1, 1993 by the issuance of a request for proposals to be submitted by potential service providers. The Commission was requested to issue the

request for proposals, review the responses, and select the most qualified TRS provider on behalf of the State's LECs.¹ The bidders submitted proposals for TRS to be provided in accordance with this docket and the TRS regulations of the Federal Communications Commission on April 16, 1993.

A selection committee made up of representatives of the TRS consumer advisory group, state LECs without conflicts of interest, and Commission staff was designated by the Commission to develop criteria with which to review and rank proposals pursuant to the developed criteria. The TRS selection committee then submitted its final report and recommendation to the Commission for consideration in its selection of the TRS service provider for Tennessee for the three year contract commencing in September, 1993.

DISCUSSION

On June 1, 1993, the Commission considered this matter at its regularly scheduled Commission conference. After careful consideration of all competitive proposals submitted, all related materials updating and explaining the proposals, the recommendation of the designated TRS selection committee, and careful consideration of previous Commission orders and Federal Communications Commission orders concerning telecommunications relay service, the Commission concluded that AT&T Communications of the South Central States shall be responsible for providing telecommunications relay service for the three years commencing September 25, 1993. In order to continue relay service in Tennessee, the state's LECs through its designated TRS administrator, South Central Bell, and AT&T are hereby directed to negotiate a contract, subject to Commission approval, which shall be consistent with the orders in this docket, and this order in particular.

¹One of the LECs was a bidder to provide TRS, and several of the state LECs are affiliated with potential bidders for the service. Due to competitive concerns and the presence of a clear conflict of interest, it is necessary that the Commission select the TRS service provider on behalf of the LECs.

DISCUSSION AND FINDINGS

In January 1996, AT&T requested that the Commission approve the automatic two year renewal option provided in Section VII of the current Agreement. The request was submitted, as required by the contract, more than 120 days prior to the expiration of the current term. The Commission considered this matter at its regularly scheduled conference on April 30, 1996.

Following review by this Commission with the assistance of its staff and with specific consideration of any revised pricing and any other necessary changes in the provisions, the Commission finds that:

- 1. A provision in the present AT&T relay service contract allows for an automatic two year extension with Commission approval.
- 2. The Commission is not obligated to seek new bids for the provision of relay service if there are no reports or complaints of noncompliance. AT&T's performance meets or exceeds service objectives outlined in the present contract.
- 3. The Dual Party Relay System Advisory Committee, which assisted in the establishing of the Tennessee Relay Center, voted unanimously to extend the contract with AT&T for two years rather than rebidding the contract.
- 4. The Tennessee Council for the Hearing Impaired, a division of the Tennessee Department of Human Services, voted unanimously to recommend to the Commission that AT&T's present contract be extended.
- 5. AT&T has proposed a procedure, in the two year extension, to improve directory assistance for Text Telephone callers.

CONCLUSION

The proposed two year contract extension is authorized by the existing agreement, is consistent with law, and is in the public interest.

Therefore, the existing Agreement is ordered to be renewed for an additional two year term as provided in Section VII of the existing Agreement and the amendment extending the Agreement is approved. Furthermore, in order to continue relay service in Tennessee, the State's LECs, through its designated TRS administrator, BellSouth Telecommunications, Inc. and AT&T, are hereby directed to proceed with the Amendment extending the contract consistent with the orders in this docket and this order in particular. All other prior orders in this docket not altered by the provisions of this order shall remain in full force and effect, and shall, along with this order, govern the provisions of telecommunications relay service.

IT IS SO ORDERED.

Chairman

Commission

Commissioner

Attest:

Executive Director