



The Commonwealth of Massachusetts
EXECUTIVE OFFICE OF PUBLIC SAFETY AND SECURITY
STATE 911 DEPARTMENT

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VIA ELECTRONIC MAIL AND OVERNIGHT MAIL

March 20, 2015

Catrice C. Williams
Secretary and Paralegal Specialist
Massachusetts Department of Telecommunications and Cable
1000 Washington Street, Suite 820
Boston, Massachusetts 02118-6500

RE: Petition of the State 911 Department to Adjust the Enhanced 911
Surcharge

Dear Ms. Williams:

Pursuant to Massachusetts General Laws ("G.L.") c. 6A, §18H(b), the State 911 Department hereby submits this Petition of the State 911 Department for Adjustment of the Enhanced 911 Surcharge.¹

I. ENHANCED 911 SURCHARGE ADJUSTMENT

The State 911 Department ("Department") hereby petitions the Department of Telecommunications and Cable ("DTC") to adjust the Enhanced 911 Surcharge for each subscriber or end user whose communication services are capable of accessing and utilizing the enhanced 911 system, for expenses associated with 911 services, and establish the new surcharge as follows: \$1.25 through June 30, 2016; and \$1.00 commencing effective July 1, 2016.

¹The Department previously filed a Petition to Adjust the Enhanced 911 Surcharge with the DTC on September 11, 2014. That matter was docketed as D.T.C. 14-3. The Department subsequently withdrew the Petition on October 21, 2014 prior to the public hearing. This Petition is substantially similar to the Petition filed in D.T.C. 14-3. However, this Petition has incorporated and updated information set forth in the Department's responses to the DTC's Information Requests in D.T.C. 14-3. The Department also has included updated information regarding its lease renewal, and has updated the budgetary information to comport with the requested surcharge adjustment.

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As set forth more fully below, the adjustment to the Enhanced 911 Surcharge ("surcharge") is necessary in order for the Department to meet its statutory obligations and to continue to fulfill its responsibility to coordinate and effect the implementation of enhanced 911 service, to administer such service in the Commonwealth, and to administer and support the Department's programs, including disability access programs, in the Commonwealth.

II. EXECUTIVE SUMMARY

- The current enhanced 911 system, which was first deployed beginning in 2005 is nearing end of life and will not be supported by the current service provider after October 31, 2016.
- The Department does not have the option to continue to maintain the existing system or to upgrade the current equipment using the existing infrastructure. A non-supported enhanced-911 system is immediately prone to failure, and any failure or interruption of service poses a major public safety risk to the residents and visitors of the Commonwealth.
- The Department's enabling statute requires the Department to review, assess, and adopt Next Generation 911 technology platforms, consistent with Federal Communications Commission decisions and federal law.
- The Department has entered into a contract to procure a comprehensive, end-to-end, fully featured Next Generation 911 system to replace the current enhanced 911 system.
- The Next Generation 911 system will allow for additional data to be sent with a 911 call, including texting to 911, a critical need for the deaf, hard of hearing, and speech impaired.
- The new Next Generation 911 system will provide individuals the ability to send video and images to the 911 call center.
- Videos and images received by the 911 call center can be forwarded to first responders prior to arrival at the scene, enhancing situational awareness, preparedness and response.
- The new system will enhance public safety service to the benefit of the residents of and visitors to the Commonwealth.

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- The Department will need to support the maintenance and operation of two systems for a period of time during the transition from the current enhanced 911 system to the new Next Generation 911 system.
- The adjustment of the surcharge will allow for continued funding for local 911 services through the Department's extensive grant programs and will allow for enhanced promotion of regionalization of 911 services.
- The requested surcharge adjustment to \$1.25 is for one year only to fund the implementation of the new Next Generation 911 equipment and systems, then will adjust downward to \$1.00 to fund the future annualized costs to maintain and support the Department's programs including the local 911 grant programs and regionalization efforts.

The Department also offers the following in support of the Petition.²

III. BACKGROUND AND OVERVIEW

Statutory Scheme

Chapter 223 of the Acts of 2008 ("the legislation") established the Department and requires that the Department coordinate and effect the implementation of enhanced 911 service and administer such service in the Commonwealth. See G.L. c. 6A, § 18B(d).

The stated purpose of the legislation is to further protect the public's safety by improving the Commonwealth's ability to coordinate and administer the enhanced 911 systems and to ensure the most efficient and consistent approach for enhanced 911 services to all cities and towns throughout the Commonwealth.

The legislation also directs the Department to review and assess new communications technologies that may include, but are not limited to, wireless, video, broadband, and IP-enabled applications that may serve as the next

² Pursuant to G.L. c. 6A, § 18H(b), the Department is required to report annually to the DTC on the financial condition of the Enhanced 911 Fund and on the Department's assessment of the new developments affecting the enhanced 911 system. The Department respectfully requests that the DTC treat this petition as satisfying that requirement for Fiscal Years 2013, 2014, and 2015. The actual expenditures for Fiscal Year 2013 and 2014 and the projected expenditures for Fiscal Year 2015 are set forth on Exhibit A attached hereto and made a part hereof.

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generation 911 technology platforms, consistent with Federal Communications Commission decisions and federal law. See G.L. c. 6A, § 18B(h).³

In addition to directing the Department to administer the enhanced 911 systems, the legislation directs the Department to develop, administer, and fund grant programs to assist PSAPs and RECCs in providing enhanced 911 services and to foster the development of regional PSAPs, regional secondary PSAPs, and RECCs⁴. The legislation also directs the Department to provide and maintain disability access programs and to provide public education services.

Current Enhanced 911 Surcharge

The legislation replaced the prior scheme of separate wireline and wireless enhanced 911 surcharges to create a single surcharge and fund with the surcharge to be assessed on wireline, wireless, and other users. The legislation sets the single surcharge at seventy-five (75) cents per month. The legislation provides, in pertinent part, as follows:

. . . There shall be imposed on each subscriber or end user whose communication services are capable of accessing and utilizing an enhanced 911 system, a surcharge in the amount of 75 cents per month for expenses associated with services provided under sections 18A to 18J, inclusive, and sections 14A and 15E of chapter 166. See G.L. c. 6A, § 18H (a).

The legislation sets forth the manner in which the surcharge shall be imposed, by type of service, as follows:

³The statutory definition of “Next generation 911” is “an enhanced 911 system that incorporates the handling of all 911 calls and messages, including those using IP-enabled services or other advanced communications technologies in the infrastructure of the 911 system itself.” The statutory definition of “IP-enabled service” is “a service, device or application which makes use of Internet Protocol, or IP, and capable of entering the digits 911, or by other means as approved by the department, for the purposes of interconnecting users to the enhanced 911 system including, but not limited to, voice over IP and other services, devices, or applications provided through or using wireline, cable, wireless, or satellite facilities or any other facility that may be provided in the future.” See G.L. c. 6A, § 18A.

⁴The statutory definitions of “public safety answering point,” or “PSAP,” “regional emergency communication center,” or “RECC,” “regional PSAP,” “regional secondary PSAP,” and “wireless state police PSAP” are set forth in G.L. c. 6A, § 18A.

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. . . For wireline enhanced 911 service, the charge shall be imposed on each voice grade exchange telephone line of business and residence customers within the commonwealth . . . For wireless enhanced 911 service, the charge shall be imposed per wireless mobile telephone number, based on the area code chosen by the subscriber or end user . . . For interconnected VoIP provider service, the charge shall be imposed on each voice grade telephone line of business and residence customers within the commonwealth. For IP-enabled service, the charge shall be imposed based on the subscriber's or end user's billing address in the commonwealth except for interconnected VoIP provider service, unless a different method is approved by the department. For prepaid wireless service, the department shall promulgate regulations establishing an equitable and reasonable method for the remittance and collection of the surcharge or surcharge amounts for such service. For all other services not identified above, the surcharge shall be imposed based on the subscriber's billing address in the commonwealth, unless a different method is approved by the department. See G.L. c. 6A, §18H (a).

The legislation provides that the surcharge shall be collected by the communication service provider and shall be shown on the subscriber's or end user's bill as "Disability Access/Enhanced 911 Service Surcharge," or an appropriate abbreviation. The subscriber or end user is liable for the surcharge, and the communication service provider is not financially liable for surcharges billed on behalf of the Commonwealth but not collected from subscribers or end users. See G.L. c. 6A, §18H (a).

Accordingly, in accordance with G.L. c. 6A, §18H(b), there is, and has been since July 31, 2008, imposed on each subscriber or use whose communication services are capable of accessing and utilizing an enhanced 911 system, a surcharge in the amount of seventy-five (75) cents per month for expenses associated with services provided under G.L. c. 6A, §§ 18A to 18J, inclusive, and §§ 14A and 15E of c. 166.

As noted above, the legislation provides that, for prepaid wireless telephone service, the Department shall promulgate regulations establishing an equitable and reasonable method for the remittance and collection of the surcharge or surcharge amounts. Effective July 1, 2009, the Department promulgated 560 CMR 3:00: Regulations Establishing an Equitable and Reasonable Method for the

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Remittance and Collection of a Surcharge on Prepaid Wireless Telephone Service ("prepaid regulations"). The prepaid regulations provide that, on or after July 1, 2009, there shall be a surcharge in the amount of seventy-five (75) cents per month imposed on each subscriber, end user, or customer whose communication services are capable of accessing and utilizing enhanced 911 service. The prepaid regulations provide two (2) options for the collection of the surcharge. The prepaid regulations permit the service provider to 1) collect the surcharge on a monthly basis from each subscriber, end user, or customer; or 2) to calculate and remit the monthly surcharge by use of a revenue formula. The numerator for the revenue formula is the total Massachusetts revenue for prepaid wireless telephone service for the month. The denominator for the formula is the service provider's national average revenue per user ("ARPU") for prepaid wireless telephone service, multiplied by seventy-five (75) cents.

The Department is required to seek the approval of the DTC for an adjustment in the surcharge. G.L. chapter 6A, § 18H(b) provides, in pertinent part, as follows:

. . . The department may petition the department of telecommunications and cable for an adjustment in the surcharge established in subsection (a). The department of telecommunications and cable shall be responsible for establishing the new surcharge, and all future surcharges, upon petition of the department . . . The department of telecommunications and cable shall conduct its review and issue a decision within 90 days of the date of the commencement of the investigation, but the surcharge shall be deemed approved if the department of telecommunications and cable does not issue its decision within such 90 days.

IV. ENHANCED 911 FUND

The legislation provides that the Department shall disburse funds from the Enhanced 911 Fund for prudently incurred expenses associated with the following:

. . . the lease, purchase, upgrade or modification of primary and regional PSAP customer premises equipment and the maintenance of such equipment; network development, operation and maintenance; database development, operation, and maintenance; training of 911 telecommunicators regarding the receipt and use of

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enhanced 911 service information; education of consumers regarding the operation, limitation, role and responsible use of enhanced 911 service; grants associated with enhanced 911 service as set forth in subsection (i) and any other grant approved by the department associated with providing enhanced 911 service in the commonwealth; the recurring and nonrecurring costs of communication services providers in providing enhanced 911 service in the commonwealth to the extent required by federal or Massachusetts law or regulation or federal or Massachusetts agency decision or order; and other expenses incurred by the state 911 department in administering and operating the enhanced 911 system in the commonwealth. See G.L. c. 6A, § 18B(f).

As set forth more fully below, the Department's expenditures are prudently incurred, statutorily authorized expenses necessary to administer and operate the 911 systems in the Commonwealth.

Projected Revenues and Expenditures

The Department has projected revenues and expenditures for the Enhanced 911 Fund for Fiscal Year 2015 through Fiscal Year 2019. The Department's projected revenues and expenditures for Fiscal Year 2015 through Fiscal Year 2019 are itemized in Exhibit B attached hereto and made a part hereof.⁵

The following is a summary of the Enhanced 911 Fund revenues broken down by carrier type, and a summary of subscriptions by carrier type, for Fiscal Year 2013 and Fiscal Year 2014.⁶

⁵Pursuant to G.L. c. 6A, § 18H(c), the Department must seek approval of the DTC for projected expenditures that exceed total expenditures of the previous fiscal year by ten (10) per cent or more. As set forth in the projected revenues and expenditures filed herewith, the projected expenditures of the Department for Fiscal Year 2015 are more than ten (10) per cent greater than the actual expenditures of Fiscal Year 2014. Accordingly, the Department requests DTC approval of Fiscal Year 2015 expenditures.

⁶ It should be noted that the Calendar Year 2013 totals are also included in the Fiscal Year 2013 and Fiscal Year 2014 revenue figures (January – June, 2013 = FY 2013; July – December 2013 = FY 2014.)

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Calendar Year 2013 Enhanced 911 Fund revenues by carrier type:

Carrier Type	Average Subscriber Count	Revenue Received Calendar Year 2013
Wireline	1,792,877	\$15,788,350
Wireless	5,068,656	\$45,215,459
VoIP	1,104,023	\$9,802,739
Pre-Paid	426,401	\$3,755,185

FY2013 and FY2014 Summary of Subscriptions by carrier type:

Carrier Type	FY 2013 Average Subscriber Count	FY 2013 Revenue Received	FY 2014 Average Subscriber Count (as of February 2014)	FY 2014 Revenue Received
Wireline	1,839,889	\$16,150,900	1,675,458	\$14,040,477
Wireless	5,059,879	\$44,784,199	4,997,158	\$45,252,060
VoIP	1,069,639	\$9,469,024	1,200,266	\$11,524,927
Pre-Paid	382,898	\$3,239,599	416,950	\$3,867,831

Projected Surcharge Revenues

The revenue projection methodology is consistent with the Department's past revenue projection methods. The subscriber line counts are based on the average number of subscribers and assume no change in the number of access lines subject to the surcharge. The estimate of revenues for each fiscal year is derived from the beginning fund balance, the estimated net revenue, and interest earned. The total estimated revenue is reached by adding to the beginning fund balance the estimated total net revenue and the interest earned.

Beginning Fund Balance

The beginning fund balance of the Enhanced 911 Fund is arrived at by carrying over the Enhanced 911 Fund balance from the prior fiscal year.

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Net Revenue

The estimate of the net revenue for each fiscal year is based on multiplying the then current surcharge and the estimated number of subscribers and subtracting carrier administrative fees and projected uncollected revenue. The projection assumes a one (1) per cent carrier administrative fee and a two (2) per cent uncollectible revenue rate.

Interest Earned

The Department does not earn interest on the total Enhanced 911 Fund balance. Interest is earned only on the invested funds. The interest earned each month is then reinvested, thereby increasing the invested funds. To estimate the interest earned, the Department utilizes the average interest rate as provided by the Office of the State Treasurer in its monthly reporting on the Massachusetts Municipal Depository Trust. The Department has applied an annual rate of 0.19 per cent as an estimate of the interest rate to be applied, on a monthly basis, to the fund balance.

Projected Expenses

The following is a description of the budgeted categories of expenses for the Enhanced 911 Fund. These expenses are prudently incurred and are necessary to meet the legislation's directives.

Administration

Salary Costs

The Department's projected expenses include salaries and overhead costs for employees and contract employees. The projected increase in salary costs is attributable to full time employee ("FTE") new hire positions and contract positions. The new hires consist of a Human Resources Director, three (3) managers (one (1) each for the Fiscal, Operations, and Programs divisions), one (1) systems analyst, and two (2) accountant positions. There are also three (3) positions to backfill vacancies (two (2) systems analysts, and one (1) trainer). These positions are necessary to fulfill the Department's statutory obligations, particularly the Grant programs and Next Generation 911. The contract positions consist of three (3) trainers, whose roles will be to support and supplement the Department's training efforts associated with the implementation of Next Generation 911. The Department has projected salary expenses that reflect

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contractual step increases and cost of living adjustments negotiated by the National Association of Government Employees union and the Commonwealth, and increased staffing levels to support Department projects and programs.

Agency Expenses

The category of agency expenses includes employee reimbursements, administrative costs, operational supplies, utilities/space rental, operational services, equipment purchases, vehicle lease, maintenance and repair services, building maintenance and repairs, and IT services and equipment. The increase in administrative expenses is attributable to the indirect costs associated with the additional temporary staff, including information technology staff augmentation. With respect to building maintenance and repairs, pursuant to an inter-departmental license with the Division of Capital Asset Management and Maintenance ("DCAMM") to occupy state-owned property, the Department was responsible for the maintenance and repair of three buildings, namely Buildings B, C, and D, at its offices in Taunton, Massachusetts. Building B houses the Department's Programs Division, the Massachusetts Equipment Distribution Program ("EDP"), and a cache of inventory of specialized customer premises equipment that the EDP distributes to persons with disabilities. Building B also contains a training facility that is equipped with PSAP CPE, which can become a live PSAP in an emergency situation. The Department's administration, including the Systems and Fiscal Divisions, are located in Building C. Building D is used by the Department for cold storage of Department records and surplus equipment. The license with DCAMM was effective through January 10, 2012.

On or about January 11, 2012, DCAMM conveyed the state property to a joint venture consisting of the Mass Development Finance Agency and the Taunton Development Corporation ("Joint Venture"). On or about the same date, the Department entered into a three year lease with the Joint Venture to retain the right to use Buildings B, C, and D. Under the terms of the lease, the Department paid the Joint Venture \$1.00 for rent in year one (1) of the occupancy, and \$107,362 per year for the following two (2) years of occupancy. On January 11, 2015, the Department executed a lease renewal through January 10, 2017, with rent effective July 1, 2015 in the amount of \$112,730 through expiration. In addition, the Department will remain responsible for the security, maintenance, and repair of the facilities and will pay for certain operating expenses. The projected expenses represent a slight increase in the cost of utilities and fuel, but primarily consist of projected expenses associated with the lease of office space for the Department's administrative offices. These projected expenses for FY 2015 are itemized as follows: \$137,816 for utilities (electric, fuel for cars and buildings, gas) and \$107,362 for rent.

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In 2013, the Department began working with DCAMM to find a new office location for the Department. The projected space rental costs for Fiscal Year 2016 through Fiscal Year 2019 are reflected in the Department's projections.

The projected expenses for Consultant Services relate to a full year of funding of a project manager and the hiring of an additional project manager to support operations as the Department transitions to the Next Generation 911 system. One (1) project manager primarily supports the Next Generation 911 project, and the other project manager primarily supports the Digital Logging Recorder project. The project management duties include, but are not limited to: assisting with the planning and implementation of the projects; serving as a liaison between the Department and its third party vendors' project managers; developing, maintaining, and updating Project Management Plans, in consultation with the Department; facilitating regular communication with the Department, including weekly status reports/updates, and reviewing the project performance against the project plans; and attending project meetings with the Department and/or its third party vendors.

The projected expenses for Operational Services relate to the hiring of temporary staff as follows: one (1) receptionist, three (3) individuals to support the Department's Grant programs, one (1) fiscal position to support the accounts payable function of Next Generation 911, and one (1) administrative position for training.

This projected expenses for IT Services and Equipment relate to the hiring of IT staff augmentation (and associated costs) to support the Department's operations, enhanced 911, and Next Generation 911 implementation. The increase primarily relates to staffing, and these expenses may decrease once the Next Generation 911 system has been deployed.

Capital Projects

The Department's projections include relocation and renovation costs associated with the Department's new office location.

Programs

As described more fully below, the Department's programs consist of the Training Program, Public Education, the Grant Programs, and the Wireless Center.

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Training Program

The legislation requires the Department to train enhanced 911 telecommunicators regarding the receipt and use of enhanced 911-service information. See G.L. c. 6, § 18B(f). Since the inception of the training program, the Department has engaged in an effort to offer a comprehensive training program that has expanded through the addition of many new approved courses, some of which are taught by outside vendors. The amount allocated to training for Fiscal Year 2015 through Fiscal Year 2019 reflects this expanded training program and the Department's continued commitment to ensuring that enhanced 911 telecommunicators throughout the Commonwealth are trained and certified.

The legislation also directs the Department to establish, with the State 911 Commission's approval, certification requirements for enhanced 911 telecommunicators that include EMD and quality assurance of emergency medical dispatch programs.

Accordingly, effective July 1, 2012, the Department promulgated 560 CMR 5.00: State 911 Department Regulations Establishing Certification Requirements for Enhanced 911 Telecommunicators, Governing Emergency Medical Dispatch, and Establishing 911 Call Handling Procedures ("EMD regulations"). The EMD regulations impose certification requirements in order for a person to act as an enhanced 911 telecommunicator. These regulations require the successful completion of a minimum of two (2) days of 911 equipment and basic telecommunicator training offered by the Department and successful completion of a minimum of forty (40) hours of Department-approved basic telecommunicator training (or the equivalent). In order to maintain certification as an enhanced 911 telecommunicator, it is necessary to successfully complete thereafter a minimum of sixteen (16) hours of Department-approved continuing education annually (or the equivalent). In addition, the EMD regulations impose requirements for PSAPs to provide EMD services either through certified emergency medical dispatchers or by arranging for EMD to be provided through a certified EMD resource. The EMD regulations require that, in order to act as a certified emergency medical dispatcher for a PSAP, an individual shall: obtain and maintain certification as an enhanced 911 telecommunicator; obtain and maintain CPR certification; and obtain and maintain certification in EMD through an EMD certification organization approved by the Department. The EMD regulations require that, in order to act as a certified EMD resource, the entity shall submit a request for approval that shall include the EMD protocol and documentation that each emergency medical dispatcher is certified.

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The training is managed by the PSAPs, and the courses vary. The Department maintains a listing of eligible courses that are supported by the Training Grant program, which supports approximately six thousand (6,000) enhanced 911 telecommunicators. The EMD Regulations require that all certified enhanced 911 telecommunicators complete sixteen (16) hours of continuing education annually. Further, the EMD regulations require newly hired enhanced 911 telecommunicators to complete a minimum of two (2) days of 911 equipment and basic training and to complete a minimum of forty (40) hours of Department-approved basic telecommunicator training, plus certification in EMD (at either twenty-four (24) hours or thirty-two (32) hours depending on the vendor) if providing EMD in-house and a four (4) hour cardiopulmonary resuscitation (CPR) course.

Public Education

The legislation provides for the education of consumers regarding the operation, limitation, role and responsible use of enhanced 911 services. The Department continues with its strong commitment to educating the public regarding enhanced 911 services throughout the Commonwealth. The Department continues to conduct successful kids and senior citizens campaigns, and will continue to distribute 911 kits to these groups. In addition, the Department will continue to attend outreach events across the Commonwealth, including furnishing literature and information about enhanced 911 service, TRS, and EDP, and conducting public service announcements, or PSAs. The Department's projections maintain the current funding levels for these services for Fiscal Year 2015 through Fiscal Year 2019.

Grant Programs

The legislation requires the Department to develop and administer grant programs to assist PSAPs and RECCs in providing enhanced 911 service and to foster the development of regional PSAPs, regional secondary PSAPs, and RECCs. See G.L. c. 6A, 18B(i). The legislation requires that the Department fund the following grant programs: the PSAP and Regional Emergency Communications Center Training Grant ("Training Grant"); the PSAP and Regional Emergency Communication Center Support Grant ("Support Grant"); the Regional PSAP and Regional Emergency Communication Center Incentive Grant ("Incentive Grant"); the Wireless State Police PSAP Grant; and the Regional and Regional Secondary PSAP and Regional Emergency Communications Center Development Grant ("Development Grant"). See G.L. c. 6A, § 18B(i)(1)-(5). The legislation also permits the Department to introduce new grants associated with providing enhanced 911 services in the Commonwealth.

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See G.L. c. 6A, § 18B(f). As discussed below, as permitted by the legislation, in 2011, the Department introduced a new grant, the Emergency Medical Dispatch ("EMD") Grant.⁷

The legislation provides that the State 911 Commission shall approve all formulas, percentages, guidelines, or other mechanisms used to distribute these grants. See G.L. c. 6A, § 18B(a). The eligibility requirements, purpose, use of funding, including categories of use of funds, application process, grant review and selection process, and grant reimbursement process for each of these grants are set forth in the Grant Guidelines that are approved by the State 911 Commission.

Training and EMD/Regulatory Compliance Grant

The Public Safety Answering Point and Regional Emergency Communication Center Training and EMD/Regulatory Compliance Grant ("Training and EMD/Regulatory Compliance Grant") reimburses primary PSAPs, regional PSAPs, regional secondary PSAPs, and RECCs for allowable expenses related to the training and certification of enhanced 911 telecommunicators. The EMD/Regulatory Compliance Grant provides funding, not provided under the Training Grant, for EMD services provided through a certified EMD resource and provides supplemental funding for expenses needed to meet the minimum training and certification requirements and minimum EMD requirements established by the Department.⁸ The legislation provides that five (5) per cent of the total surcharge revenues of the previous fiscal year shall be allocated to the Training Grant, unless the percentage is adjusted by the approval of the State 911 Commission. The legislation provides that any such adjustment to increase to a level of seven point five (7.5) per cent or more shall also be approved by the DTC.

The Department's projections maintain the funding level for the Training Grant for Fiscal Year 2015 through Fiscal Year 2019 to provide sufficient funding for primary PSAPs, regional PSAPs, regional secondary PSAPs, and RECCs to meet the minimum training and certification requirements for enhanced 911 telecommunicators.

The Department's projections maintain the funding level for the EMD/Regulatory Compliance Grant for Fiscal Year 2015 through Fiscal Year 2019 to provide

⁷ The EMD Grant was approved by the DTC by Order dated May 27, 2011 in D.T.C. 11-2. The EMD Grant was renamed the EMD/Regulatory Compliance Grant in Fiscal Year 2014.

⁸ The statutory definition of "emergency medical dispatch," or EMD, is set forth in G.L. c. 6A, § 18A.

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sufficient funding for primary PSAPs, regional PSAPs, regional secondary PSAPs, and RECCs to meet the minimum requirements governing EMD.

Support and Incentive Grants

The Support and Incentive Grants provide funding to primary PSAPs, regional PSAPs, regional secondary PSAPs, and RECCs for allowable expenses related to enhanced 911 personnel and equipment costs. In addition to amounts allocated as part of the Support Grant, incentive funds are awarded to regional PSAPs and RECCs that serve multiple communities. The legislation provides that twenty-five (25) per cent of the total surcharge revenues of the previous fiscal year shall be allocated to the Support Grant, unless the percentage is adjusted by the approval of the State 911 Commission. The legislation provides that any such adjustment to increase to a level of thirty-one point twenty-five (31.25) per cent or more shall also be approved by the DTC.

The Department's projections maintain the funding level for the Support Grant for Fiscal Year 2015 through Fiscal Year 2019 to provide sufficient funding for primary PSAPs, regional PSAPs, regional secondary PSAPs, and RECCs for personnel, equipment, and other allowable expenses.

The legislation requires that the Incentive Grant shall provide regional PSAPs and RECCs with funds, in addition to amounts allocated as part of the Support Grant, to be used for reimbursement of allowable expenses. See G.L. c. 6A, §18B(i)(4). The legislation uses a formula that applies a specified percent of total surcharge revenues for the previous fiscal year based on the number of municipalities to be served by the regional PSAP or RECC. See G.L. c. 6A, § 18B(i)(4).

The legislation sets forth the following incentive funding categories: (i) for regional PSAPs serving two (2) municipalities, one half ($\frac{1}{2}$) of one (1) per cent of the total surcharge revenues of the previous fiscal year; (ii) for regional PSAPs serving three (3) to nine (9) municipalities, one (1) per cent of the total surcharge revenues of the previous fiscal year; (iii) for regional PSAPs serving ten (10) or more municipalities, one and one half ($1\frac{1}{2}$) per cent of the total surcharge revenues of the previous fiscal year; and (iv) for RECCs, two (2) per cent of the total surcharge revenues of the previous fiscal year. These percentages may be adjusted by the State 911 Commission to ensure a proper allocation of incentive funds as more regional PSAPs and RECCs are added, but any such adjustments

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that increase the initial total allocation of the incentive grant by ten (10) per cent or more shall be approved by the DTC. See G.L. c. 6A, § 18B(i)(4).⁹

The Department's projections maintain the funding levels for the Incentive Grant for Fiscal Year 2015 through Fiscal Year 2019 to provide additional funding for regional PSAPs and RECCs for personnel, equipment, and other allowable expenses, and to allow the Department to meet its statutory obligations to maximize effective enhanced 911 services and regional interoperability and will further the Department's goals of increased regionalization which will, in turn, lead to a more efficient and effective use of resources and improve public safety.

Wireless State Police PSAP Grant

Currently, 911 calls placed from wireless callers in the Commonwealth are routed to three (3) wireless state police PSAPs for directly dispatching emergency response services or transferring the calls to local PSAPs for local police, fire, and emergency medical services dispatch, or in some instances not transferred at all.

The Wireless State Police PSAP Grant reimburses wireless state police PSAPs for allowable expenses related to training, enhanced 911 personnel, and equipment costs. The statute provides that four (4) per cent of the total surcharge revenues of the previous fiscal year shall be allocated to this grant, unless the percentage is increase by the approval of the State 911 Commission. Any such increase to a level of six (6) per cent or more shall also be approved by the DTC. The Department's projections maintain the funding level for the Wireless State Police PSAP Grant for Fiscal Year 2015 through Fiscal Year 2019 to provide sufficient funding for allowable expenses.

Wireless Center

In addition, the Department's projections include funding for a Wireless Center, a dedicated center within the same facility as the Essex County RECC for the purpose of receiving wireless 911 calls assigned to it by the Department and, as appropriate, relaying emergency 911 calls to public or private safety departments or PSAPs. The Wireless Center has been assigned the responsibility of receiving all wireless 911 calls from ESN 601.¹⁰ The creation of a designated Wireless

⁹ The increase in the RECC category amount from two (2) to four (4) per cent was approved by the DTC by Order dated May 27, 2011.

¹⁰ An Emergency Service Number, or "ESN," is a 3-5 digit number that represents one or more emergency service zones. An Emergency Service Zone, or "ESZ," is a geographical area that represents a unique combination of emergency service agencies (e.g., law enforcement, fire, and emergency medical service) that are within a specified 911 governing authority's jurisdiction.

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Center within the Essex RECC facility will relieve the wireless state police PSAPs from receiving a portion of the wireless 911 calls currently routed to the wireless state police PSAPs, allow for wireless 911 calls to be routed to a facility with particular expertise in the handling of wireless 911 calls, and allow for the use of the building that houses the Essex RECC to greater capacity.

Development Grant

The Development Grant supports the development and startup of regional PSAPs, regional secondary PSAPs, and RECCs, including the expansion or improvement of existing regional PSAPs and RECCs. Since the inception of the grant programs in Fiscal Year 2009, the Department has witnessed a significant interest in regionalization among the PSAPs and RECCs. Through the Development Grant, the Department has provided funding for a number of significant regionalization projects. The Department has received requests for funding and has awarded funding for construction and equipment for proposed regional PSAPs and RECC; feasibility studies, construction, and equipment for new proposed regional PSAPs and RECCs; and construction to expand and new equipment for proposed regional PSAPs and RECCs. The Development Grant has been funded at \$8 million for the past four (4) fiscal years. The regional projects funded under this Grant are often complex and are completed over multiple fiscal years. The expenditures are recorded in the fiscal year in which they are incurred. Grants funded under the Development Grant, due to their complexity, often cross fiscal years. The "PSAP Regional Development Roll Over" line on Exhibit A is to display expenditures associated with previous fiscal year awards. The Department's projections maintain the funding level for the Development Grant for Fiscal Year 2015 through Fiscal Year 2019 at \$8 million to provide sufficient funding for these important regionalization efforts. There are currently two hundred forty-nine (249) PSAPs in the Commonwealth, with nineteen (19) PSAPs that have become regionalized. The Department expects that fifteen (15) additional PSAPs will regionalize over the next five (5) years.

Enhanced 911

Current Enhanced 911 System

The current enhanced 911 system is an analog-based system that was designed in the 1960s. The system has been successful in delivering 911 services for many years. However, the types of analog services that are imbedded in the

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existing system are becoming obsolete and are being discontinued throughout the country. Technological advancements have created the necessity for a more advanced system that will offer capabilities (such as text and video messaging) that simply do not exist using today's system. Throughout the nation, the enhanced 911 systems are being overhauled and replaced with new and emerging technologies. This need was recognized by the Legislature, and, therefore, in accordance with the legislation, it is necessary to replace the existing system with a system that uses advanced communications technologies in the infrastructure itself.

The Department does not have the option to continue to maintain the existing system or to simply upgrade the current equipment using the existing infrastructure. The Department does not consider refreshing or upgrading the existing legacy equipment as a long-term solution. Rather, it is the Department's goal to replace the current enhanced 911 systems with a solution that adheres to national standards, maintains the capabilities and functions of the existing system while offering capabilities that will support new services and tools, and offers the best value to the Commonwealth.

Next Generation 911 Project

In accordance with the legislation's directive, the Department has embarked upon a project to review and assess communications technologies that could serve as the basis for a new platform. In 2009, following a competitive procurement process, the Department retained outside consultants to assist with the effort to review and assess the technical, financial, and operational requirements and other matters that would facilitate the migration to a new system. The outside consultants were tasked with reviewing the existing customer premises equipment, or CPE, with the intent of migrating to an IP-based system; analyzing technical requirements; examining possible network facilities; investigating geographic information system, or GIS, requirements and capabilities; and developing system architecture and migration plans. The outside consultants were also charged with undertaking a financial analysis that included gathering pertinent information related to technology availability, funding parameters, and governance matters; gathering information on practices elsewhere in the United States related to ownership, funding, and governance; gathering data from the vendor community related to technology roll out timeframes and costs; and synthesizing this information so that the Department could assess the financial components of the migration to a new system.

Throughout 2009 and 2010, the Department, working in consultation with the outside consultants and representatives from other agencies, continued its

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analysis and assessment of the issues associated with the migration to a new system, including a review of evolving national standards. In 2009, the Department hosted a series of Next Generation 911 presentations at the Department's offices. In 2010, the State 911 Commission authorized the Department to form a Strategic Sourcing Team ("SST") for the purpose of conducting the solicitation for and the procurement of a Next Generation 911 system and associated matters.

In 2011, the National Emergency Number Association ("NENA") produced a number of Next Generation 911 Standards and other documents, recommendations, and policy briefs regarding the transition to Next Generation 911. In addition to the development of technical and operational standards, NENA engaged in proof of concept trials and demonstrations of the new technology. However, a standards-based Next Generation 911 system was not fully identifiable, and further clarification was necessary.

In 2012, the Department issued a Request for Information ("RFI") to assist the Department in identifying various solutions and gathering any information to help the Department assess the capabilities of a Next Generation 911 environment, including all aspects of network, database, geo-based routing, caller location information, applications and appliances, call taking solutions, CPE, support services, maintenance and monitoring, and any other functional element required to meet the acceptance, processing, and delivery of current and anticipated Next Generation 911 payloads. Respondents to the RFI provided the Department with information about their Next Generation 911 technologies and any alternative capabilities for IP-based call and payload handling.

Following the lengthy and exhaustive efforts set forth above, the Department sought to procure services through a competitive procurement conducted pursuant to *801 CMR 21.00: Procurement of Commodities and Services*.

As authorized by the State 911 Commission, the Department formed an SST for the purpose of conducting the solicitation for and the procurement of a Next Generation 911 system and associated matters. The SST was comprised of members of the Department, the State 911 Commission, and key stakeholders with the required skills and knowledge to assist in the development of a Request for Response ("RFR") and analysis of bid responses.

On October 4, 2013, the Department issued an RFR seeking to procure the services to design, equip, install, operate, monitor, maintain, train, and support a Next Generation 911 system throughout the Commonwealth in a turnkey fashion. The RFR provides that the acquisition method for the contract is fee for service. The contract duration is five (5) years, with one (1) option to renew for a period of

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five (5) years. The RFR provides that the system shall be fully operational throughout the Commonwealth no later than June 30, 2016. Multiple responses were received.

The SST was assigned the task of analyzing the merits of the proposals submitted. The evaluation process consisted of a review of the written responses, references/financial stability statements, interviews/demonstrations, pricing, and a site visit from which the highest scoring bidder proposed to operate its help desk and network operations center. The SST provided all bidders with the opportunity to provide a Best and Final Offer ("BAFO").

The evaluation process concluded in July 2014, and the Department selected a bidder who offers the overall best value to the Commonwealth. At a meeting held on August 4, 2014, the State 911 Commission authorized the Department to enter into a contract with the winning bidder, General Dynamics Information Technology ("GDIT"). Accordingly, a contract for Next Generation 911 products and services was executed with GDIT on August 4, 2014.

Enhanced 911 Support

The Department has entered into a contract with Verizon to provide network, database, CPE, and maintenance services for the statewide-enhanced 911 systems serving the Commonwealth.¹¹ The Department's projections assume that the costs for these services will decrease significantly as the Commonwealth migrates to a Next Generation 911 system.

CPE

The Department's projections for Fiscal Year 2015 include costs for new CPE that may be necessary in connection with regional projects or other changes in sites. The Department intends to purchase only new CPE that is necessary to ensure the operation of the enhanced 911 systems and, where possible, will transition a PSAP to the Next Generation 911 system rather than expend funds on new CPE. The Department's projections for Fiscal Year 2016 are intended to ensure that PSAPs can remain operational until conversion to the Next Generation 911 system.

¹¹ The Department and Verizon executed a contract for enhanced 911 support services for the period November 1, 2013 through October 31, 2016.

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Map Data

Through an interdepartmental service agreement between the Department and the Commonwealth's Office of Geographic Information ("MassGIS"),¹² MassGIS provides updated, synchronized mapping data and information to the Department for use by PSAPs. MassGIS has also dedicated resources to support the Department as it prepares for the implementation of Next Generation 911.¹³ The increase in costs is attributable to an increased effort to prepare the GIS data for the Next Generation 911 deployment, loss of federal grant money used for imagery in past years, and the addition of the wireless direct requirements.

As part of ongoing maintenance, MassGIS will continue updating the street database by adding missing streets and correcting erroneous streets. This is part of the core component of the GIS data used in the current PSAP deployment as well as the base of the Next Generation 911 system. MassGIS has acquired aerial imagery used for verification of streets and structures as part of the maintenance effort. MassGIS will contract with an outside vendor to identify the roofline of every structure in the Commonwealth and provide an outline of every building. This is necessary to attach street addresses to structures. Parcel data creation will continue to be part of the workflow process necessary to prepare for the transition to Next Generation 911. This entails collecting digital and paper maps and incorporating individual parcel line work into the statewide data set. Once the parcel data has been incorporated, MassGIS will use that data to update emergency service zones that will ultimately be used to route 911 calls to the proper PSAP. The services in support of Next Generation 911 consist of updated, synchronized mapping data and information and maintenance for the database and aerial imagery, and updates to the emergency services zones. These services are critical to the base of the Next Generation 911 system and are new services that were not provided for use with the legacy enhanced 911 systems. The Department contracts with a vendor to provide software support by furnishing base map data updates on a quarterly basis. The Department also contracts with a vendor to furnish MassGIS with emergency subscriber listings through an extract of the Automatic Location Information database.

¹² MassGIS is within the Information Technology Division of the Administration and Finance Secretariat.

¹³ In some previous filings, Department's budgets contained line items for "Wireless Project Recurring and Non-Recurring" expenses. The "Wireless Project Recurring and Non-recurring" expenses have been rolled into the tasking and expenses completed under "ISA MASS GIS." Accordingly, the reference to "Wireless Project" has been removed as a budget line item.

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In addition, the Department has engaged MassGIS to assist and support the Department's Wireless Project. By way of background, wireless 911 calls are, with few exceptions, routed to the wireless state police PSAPs and the Essex Wireless Center. The legislation provides, in pertinent part, as follows:

. . . the department shall review and assess the technological and operational capability and financial feasibility of wireless 911 calls being routed to and handled directly by the PSAP in which the caller is located, and if such capability exists, the department shall establish standards, with the commission's approval, by which such PSAPs may receive wireless calls. See G.L. c. 6A, § 18B(h).

Based on its review and assessment of the technological and operational capability and financial feasibility of wireless 911 calls being routed to and handled directly by the PSAP in which the caller is located, the Department intends to complete the necessary 911 call routing data analysis and mapping statewide, and to analyze and evaluate the operational impacts associated therewith, with the goal of a statewide deployment of direct wireless 911 call routing and related matters. The services provided by MassGIS in support of the Wireless Project consist of completing the call routing data analysis and mapping statewide, in connection with a statewide deployment of direct wireless 911 call routing and related matters.

Next Generation 911 Consultant

The Department has retained the services of an outside consultant to assist with the Next Generation 911 project. The Department estimates payments to a consultant to assist with the Next Generation 911 project for Fiscal Year 2015 through Fiscal Year 2016.¹⁴

Next Generation 911 Recurring and Non-Recurring Costs

The Department has projected recurring and non-recurring costs for the Next Generation 911 system based on the contract executed on August 4, 2014.

¹⁴ It should be noted that, for tracking purposes, this differs from the "Consultant Services (HH)" budgetary line item because the "NG 911 Consultant" is specific to the implementation of Next Generation 911.

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Interpretive Services

Interpretive services, through a third party vendor, continue to be provided to PSAPs throughout the Commonwealth and for the EDP pursuant to a statewide contract with a contractor.

Mobile PSAP

The State 911 Department owns, operates, controls, and maintains a mobile PSAP. The mobile PSAP is a vehicle outfitted with six (6) 9-1-1 answering positions, one (1) administrative workstation, ten (10) administrative telephones, seven (7) Telular terminals all connected to the CPE. It is housed in a 2010 Kenworth vehicle. The mobile PSAP is available 24 x 7 to respond to and temporarily replace and assist PSAPs that are rendered non-operational due to structural failure, equipment failure, infrastructure failure, or other emergency and/or pre-planned events. The mobile PSAP is deployed for training, public education, PSAP conversions and build outs, the Boston Marathon, and as an emergency backup PSAP. The State 911 Department also expects to utilize the mobile PSAP in connection with the transition to Next Generation 911. The Department has included projected expenses of maintenance and monitoring and overall support for the mobile PSAP. Costs associated with the maintenance and monitoring are anticipated to transition to the Next Generation 911 contractor effective FY 2017.

Disability Access Program

The legislation transferred to the Department the responsibility for administration and oversight of disability access programs. The legislation directs the Department to provide and maintain a Specialized Customer Premises Equipment, or SCPE, Distribution Service.¹⁵ This program makes specialized devices that provide access to telephone networks for people with hearing, speech, vision, mobility or cognitive disability. The legislation also directs the Department to administer telecommunication relay service,¹⁶ or TRS, and captioned telephone relay service, or CTRS, throughout the Commonwealth.¹⁷ The Department has entered into contracts with various equipment vendors to

¹⁵ The statutory definition of "SCPE" is set forth in G.L. c. 155, § 15E.

¹⁶ The statutory definition of "telecommunications relay service" or "TRS" is set forth in G.L. c. 155, § 15E.

¹⁷ The statutory definition of "captioned telephone service" is set forth in is set forth in G.L. c. 155, § 15E.

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provide the SCPE to persons with disabilities. Further, the Department executes contracts with the Commission for the Deaf and Hard of Hearing and other entities to support this program. In addition, the Department has procured the services¹⁸ of a contractor to provide both TRS and CTRS throughout the Commonwealth. The Department's projections maintain the current funding levels for these services for Fiscal Year 2015 through Fiscal Year 2019.

V. CONCLUSION

Since the inception of the legislation, the Department has met its statutory obligations while maintaining a stable surcharge at seventy-five (75) cents per month. Such expenditures provide maximum safety and value to the public, PSAPs, and persons with disabilities at a surcharge level that has been consistent with the DTC's long-established ratemaking goals of rate stability and continuity.

However, as set forth above, the current enhanced 911 system needs to be replaced with a new system. In addition to the projected costs of the new system, it will be necessary to support the maintenance of two systems for a period of time during the transition from the current enhanced 911 systems to the new Next Generation 911 system. In order to fund these extraordinary expenses while maintaining the Department's programs at current levels, it is necessary to adjust the surcharge.

All of the projected expenditures are prudently incurred expenses designed to fulfill the Department's statutory responsibility to coordinate and effect the implementation of enhanced 911 service, to administer such service in the Commonwealth, and to administer and support the disability access programs in the Commonwealth.

Finally, as this Petition is substantially similar to the Petition previously filed with and reviewed by the DTC, we respectfully request expedited consideration of this Petition in order to ensure that the Department is able to continue to administer its programs and meet its obligations without disruption.

¹⁸ In 2012, the Department, in consultation with the Massachusetts Commission for the Deaf and Hard of Hearing, issued a request for response to procure these services. The Request for Response was approved by the DTC by Order dated May 30, 2012 in D.T.C. 12-3.

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Thank you for your attention to this matter, and please feel free to contact me for further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frank Pozniak', with a stylized flourish at the end.

Frank Pozniak
Executive Director

cc (w/encs.): Karen Charles Peterson, Commissioner, DTC
Rebecca Tepper, Office of the Attorney General
Sandra Callahan Merrick, Office of the Attorney General
Thomas Ashe, Deputy Director, State 911 Department
Karen Robitaille, Fiscal Director, State 911 Department
Louise McCarthy, General Counsel, State 911 Department