

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
Telecommunications Relay Services and)	CG Docket No. 03-123
Speech-to-Speech Services for Individuals)	
with Hearing and Speech Disabilities)	
)	
Structure and Practices of the Video Relay)	CG Docket No. 10-51
Service Program)	

COMMENTS OF SPRINT CORPORATION

Sprint Corporation (“Sprint”) hereby files comments in response to the recent Public Notice seeking comment on Rolka Loube Saltzer Associates LLC’s (“Rolka’s”) proposed provider compensation rates for various forms of telecommunications relay services (“TRS”).¹ Sprint does not object to any of the specific rates proposed by Rolka; however, Sprint urges the Commission to continue utilizing the Multistate Average Rate Structure (MARS) methodology to determine the rate for IP Captioned Telephone Service (“IP CTS”). Furthermore, Sprint maintains the MARS approach is also the most appropriate methodology for IP Relay.

I. THE IP CTS RATE SHOULD CONTINUE TO BE BASED ON THE MARS METHODOLOGY

The Public Notice contains calculations Rolka made for an alternative compensation rate for IP CTS.² Although this \$1.6246 alternative rate has been submitted by Rolka for

¹ *Rolka Loube Saltzer Associates Submits Payment Formulas and Funding Requirement for the Interstate Telecommunications Relay Services Fund for the 2015-2016 Fund Year*, CG Docket Nos. 03-123 and 10-51, Public Notice, DA 15-612 (rel. May 20, 2015) (“Public Notice”).

² *Public Notice* at 2.

informational purposes only, Sprint is concerned that the inclusion of this information is a sign that the Commission is planning to change the IP CTS rate methodology. Sprint cautions against the adoption of a new methodology, which unquestionably would not reflect the *true* costs of providing service.

As Hamilton has aptly stated previously, a MARS-based methodology is “superior to its alternatives chiefly because it relies on the competitive market, rather than prescriptive regulation and proxies, to set rates.”³ As a result, the MARS methodology obviates the need for the Commission to address the “complexities inherent in rate-of-return or price-cap rulemaking while relying on providers’ strong incentives to estimate their costs accurately in the competitive bidding process.”⁴

Accordingly, there is no reason to develop other rate methodologies that can do no better than artificially replicate the market-based rates already established under the MARS plan. There also is no evidence in the record that the MARS methodology is driving unwarranted growth in IP CTS usage or leading to inefficiencies. The Commission, therefore, has no basis for extending to IP CTS the flawed reasoning that led to the decimation of the IP Relay marketplace. As the IP Relay experience has shown, when rates decline but costs do not, providers have little choice but to exit the marketplace, leaving customers without service. Indeed, as Sprint has articulated numerous times, the cost-plus methodology for IP Relay should be abandoned in favor of a MARS-based calculation.

³ Comments of Hamilton Relay, Inc., CG Docket Nos. 13-24 and 03-123, at 2 (Nov. 4, 2013) (“Hamilton Comments”).

⁴ *Id.*

II. CONCLUSION

For the foregoing reasons, Sprint urges the Commission to maintain the current MARS-based methodology to determine the IP CTS rate.

Respectfully submitted,

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