



182 Bastille Lane ▪ Ruston, Louisiana 71270

January 19, 2016

Marlene H Dortch, Secretary  
FCC  
445 12<sup>th</sup> Street  
Washington, DC 20554

Re: Ex Parte Comment on Interstate Inmate Calling Service Telephone Rates - WC 12-375; FCC Order 15-136

Dear Madam Secretary,

In August, 2014 Correct Solutions, LLC (“Correct Solutions”) responded to the FCC’s ICS Mandatory Data Collection and submitted information on specific costs associated with calls generated at facilities with whom Correct Solutions provides inmate calling services. In November, 2015, the FCC released Order FCC 15-136 (the “Order”), which established capped telephone call rates for inmate calling services. In support of the Order, the FCC referenced data which were submitted by Correct Solutions. At this time, Correct Solutions believes that the FCC may have relied on incomplete data in performing its costs analysis supporting the capped rates.

In Paragraphs 58 through 64 of the Order, the FCC makes reference to two small firms and details its reasoning for utilizing the cost of these two small firms in order to set the rates for the entire inmate calling service industry. We believe that Correct Solutions is one of the small firms referenced in these paragraphs. After reviewing the results of the analysis of costs of these two small firms conducted by the FCC, we further believe that the FCC may not have had all of the necessary cost data required from Correct Solutions to arrive at the costs per MOU as express in the Order. Specifically, the FCC treats these costs as representing all of the costs necessary to provide a complete end-to-end ICS service, when in reality this is not the case.

Correct Solutions went to great lengths to respond to the FCC’s Mandatory Data Collection with clear, concise, and accurate information based on its understanding of the information being sought. Additionally, in order to comply with the request for information, Correct Solutions hired a consultant to assist in the compilation and submission of the information to the FCC. Given Correct Solutions’ understanding of the data it believed the FCC was requesting, the most accurate information with relation to direct call costs available was submitted. While accurate, the data submitted represent the costs to perform only a subset of the functions that must be performed and *does not* represent all of the costs necessary to provide a complete ICS service. As a result, the per-MOU costs described in Paragraph 63 [and associated footnote 195] of the Order significantly understate the scope of costs that must be incurred to provide a complete ICS service, and understate the costs actually incurred by Correct Solutions. By extension, the calculation of imputed profits in Paragraph 63 of the Order significantly overstates the level of profitability that Correct Solutions actually experiences.

Now that Correct Solutions has a better understanding of the data required by the FCC in order to perform the necessary analysis to calculate costs and imputed profits in order to set industry wide call



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rate caps, it is clear that additional costs should have been included in Correct Solutions' data submission. Therefore, the costs as set forth for Correct Solutions in the Order are understated and, hence, incorrect, and should not have been relied on in setting rate caps for the industry; nor should the FCC continue to rely on Correct Solutions' costs for setting future rates for the above stated reasons.

Should the FCC determine that this matter should be reopened or reconsidered, Correct Solutions stands ready to provide additional information to more accurately reflect all of its specific costs to provide ICS service.

With regards,

Patrick Temple  
Manager  
Correct Solutions, LLC