

**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 Associates LLC’s (“Rolka’s”) proposed provider compensation rates for various forms of telecommunications relay services (“TRS”).<sup>1</sup> Sprint objects to the significant reduction of the IP Relay rate by nearly 16 cents from \$1.37 to \$1.2122. As set forth below, Sprint urges the Federal Communications Commission (“Commission”) Consumer and Governmental Affairs Bureau (“Bureau”) to suspend the current rate of \$1.37 until the Commission adopts and implements a restructuring of the IP Relay service.

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<sup>1</sup> *Rolka Loube Associates Submits Payment Formulas and Funding Requirement for the Interstate Telecommunications Relay Services Fund for the 2016-2017 Fund Year*, CG Docket Nos. 03-123 and 10-51, Public Notice, DA 16-518 (rel. May 9, 2016) (“*Public Notice*”).

## **I. THE IP RELAY RATE SHOULD BE SUSPENDED AT THE CURRENT RATE**

After the departure of Purple Communications in late 2014, Sprint became the lone provider of IP Relay to deaf, hard-of-hearing, and, importantly, deaf-blind individuals that are uniquely dependent on IP Relay communications. Sprint demonstrated that the IP Relay rate required adjustment from below-cost rates hovering just over \$1 per minute. The Bureau agreed and ordered a rate of \$1.37.<sup>2</sup> Sprint accepted this rate as a temporary measure until the Commission could do a fulsome restructuring of the IP Relay service. As such, Sprint expected that the \$1.37 rate (and the cost-plus rate methodology upon which it is based) would be short-lived. Yet, roughly 19 months later, Sprint finds itself in a holding pattern on the much-needed IP Relay regulatory restructuring. Meanwhile, the antiquated rate setting methodology remains in place and now dictates a rate decrease from \$1.37 to \$1.2122. Simply put, Sprint cannot sustain service at this rate. As such, Sprint urges the Commission to suspend the rate at \$1.37 and to move quickly to open a proceeding to overhaul IP Relay service including, importantly, abandoning the cost-plus rate-setting methodology which was based on a capital-intensive, competitive dynamic that no longer exists.<sup>3</sup>

To be clear, Sprint does not wish to discontinue its provision of IP Relay service. Sprint is proud of its 25-year history in providing Relay service, and Sprint understands the particular importance of IP Relay service to deaf-blind individuals. Rather, Sprint wishes to continue

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<sup>2</sup> *In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, Order, CG Docket No. 03-123, ¶ 14 (Dec. 29, 2014).

<sup>3</sup> Sprint has long argued that the MARS-rate setting methodology is far more appropriate for a variety of reasons, including, most notably, the fact there is essentially no difference in functionality between IP Relay and traditional TRS (which utilizes MARS to set its rates). Indeed, the same agents, sitting at the same terminals, in the same call centers process both IP Relay and traditional TRS calls; yet, the rates for these services are calculated differently with rate results starkly different – \$2.2904 (TRS) vs. \$1.37 (IP Relay) currently and \$2.6245 (TRS) vs. \$1.2122 (IP Relay) proposed.

providing IP Relay and to work with the Commission on a long-term strategy that results in a positive, sustainable business model that ensures a high-quality service for Americans in need of this service. That is Sprint's end goal – a goal that we believe the Commission shares. However, until this end goal can be achieved through many months as the regulatory process unfolds, Sprint urges the Bureau to provide interim rate relief in the form of a suspension of the current \$1.37 rate.

Sprint intends to supplement the record with additional cost information demonstrating that the \$1.2122 rate is insufficient. From a high-level, Sprint believes that outreach costs should be factored into the rate calculation as well as costs to enhance IP Relay service for deaf-blind users. With respect to outreach costs, Sprint believes the outreach it has conducted and wishes to conduct, should be recoverable and factored into the rate calculation. In its 2013 VRS Reform Order, the Commission prohibited IP Relay providers from including the costs of outreach in their yearly cost submissions.<sup>4</sup> This decision was largely premised on taking outreach out of the hands of the many VRS and IP Relay service providers and into the hands of a government-backed neutral third party (via Commission-appointed National Outreach Coordinators). However, to the best of Sprint's knowledge, this government-led outreach program has not got past the concept stage nor resulted in real-world outreach. In contrast, Sprint has done substantial outreach and it would like to do additional outreach knowing that those expenses are recoverable via the reimbursement rate. Importantly, Sprint would like to do more specialized outreach to better meet the unique needs and desires of the Deaf-Blind community. As stated previously, Sprint will

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<sup>4</sup> *In the Matters of Structure and Practices of the Video Relay Service Program and Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, Report and Order and Further Notice of Proposed Rulemaking, CG Docket Nos. 10-51 and 03-123, ¶ 23 (June 7, 2013).

supplement the record with additional outreach cost data including incurred costs and projected outreach costs.

Similarly, Sprint intends to provide additional cost data related to enhancements of the IP Relay service for deaf-blind users. Sprint has met with the Deaf-Blind community and obtained feedback of specific product enhancements that would improve the performance of IP Relay for this user group. Sprint believes these costs should be included in any rate calculation as they represent necessary investments in the IP Relay service that will result in tangible product enhancements to the overall accessibility, mobility and usability of the service. These costs were unknown at the time Sprint submitted its cost information to Rolka Loube Associates earlier this year. Sprint wishes to supplement the record with these costs. Knowing that Sprint's investments are recoverable and will be reflected in the IP Relay rate will allow Sprint to move forward to make these improvements to its IP Relay service.

## II. CONCLUSION

For the foregoing reasons, Sprint urges the Commission to suspend the IP Relay rate at \$1.37 until the Commission concludes a proceeding to restructure IP Relay.

Respectfully submitted,

*/s/ Scott R. Freiermuth*

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