



IDT Telecom, Inc.  
520 Broad Street  
Newark, New Jersey 07102

May 24, 2016

**VIA ELECTRONIC FILING**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

**Re: Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities - CG Docket No. 03-123**

**Structure and Practices of the Video Relay Service Program – CG Docket No. 10-51**

Dear Secretary Dortch:

On May 5, 2016, Rolka Loube Associates, LLC (“RL”) filed an “Interstate Telecommunications Relay Services Fund Payment Formula and Fund Size Estimate” in the above captioned proceedings.<sup>1</sup> On May 9, 2016, the Commission issued a Public Notice seeking Comments on the 2016 TRS Rate Filing.<sup>2</sup> On or about May 24, 2016, IDT Telecom, Inc. (“IDT”) and several other parties submitted Initial Comments. With this filing, IDT submits its Reply Comments.

As is the case with every annual TRS Rate Filing, the commenters consist primarily of relay service providers seeking higher rates for their services and/or promoting methodologies that support higher rates. IDT cannot support either of these positions. Moreover, we believe it is inappropriate for the Bureau to engage in rate setting – particularly for VRS and IP CTS – as the Public Notice in this proceeding was quite clear that the Bureau sought comments solely to help inform the Commission’s decision on an appropriate methodology for IP CTS and VRS<sup>3</sup> and not to set rates for either service.

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<sup>1</sup> See, Rolka Loube Associates, LLC, Interstate Telecommunications Relay Services Fund Payment Formula and Fund Size Estimate, CG Docket Nos. 03-123 and 10-51 (filed May 5, 2016)(2016 TRS Rate Filing).

<sup>2</sup> Public Notice, “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; DA 16-518)(May 9, 2016).

<sup>3</sup> Public Notice at pp 2 - 3.

As is the case every year in the annual rate-setting proceeding, the Commenters and, seemingly, the Bureau and the Commission can't see the forest for the trees. The TRS Fund is in the midst of a crisis. Relay service usage increases while providers repeatedly threaten to go out of business<sup>4</sup> without higher rates and the contribution base declines year after year.<sup>5</sup> Correspondingly, the TRS Fund Contribution Factor is exploding: if RL's proposed Contribution Factor is approved, it will have increased by more than 50% in the last two years. It is unclear what exactly it will take for the Bureau and the Commission to understand that this crisis is real and that steps must be taken to halt the crisis.

As IDT has noted, the most immediate step to be taken is for the Commission to include intrastate revenue within the contribution base to support the funding of intrastate IP-CTS and VRS calls as these calls continue to be unlawfully compensated from the interstate and international jurisdictions. This step, if taken, would increase the TRS Fund contribution base by multiples, thereby stabilizing the base for years to come and reducing the contribution base correspondingly. And while an increased contribution base does not warrant excessive per minute rates for relay services, it would allow for more generous consideration of rates and/or gentle steps down to more appropriate rates.

In conclusion, we respectfully ask the Bureau to undertake all reasonable steps to reduce the proposed budget including, but not limited to, limiting the amount held in reserve to one month.<sup>6</sup> We also urge the Bureau to assist the Commission in issuing a NPRM (and subsequent Order) on the subject of expanding the TRS Fund contribution base to include intrastate revenue and to resolve outstanding proceedings in which the Commission will revise IP CTS and VRS rates.

Sincerely,

**/s/ Carl Billek**

Carl Billek  
Senior Regulatory Counsel  
IDT Telecom, Inc.

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<sup>4</sup> ("Sprint cannot sustain service at this rate.") "Comments of Sprint Corporation," Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123; Structure and Practices of the Video Relay Service Program, CG Docket No. 10-51 (May 24, 2016) at 2.

<sup>5</sup> See, 2016 TRS Rate Filing at 11.

<sup>6</sup> Initial Comments of IDT Telecom, Inc., "Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123; Structure and Practices of the Video Relay Service Program, CG Docket No. 10-51 (May 24, 2016) at 2.