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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman-Salas
Secretary
Federal Communications Commission
445 12 St.,
Washington, D.C. 20554

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**Re: Ex Parte, Telecommunications Services for Individuals with Hearing
and Speech Disabilities, and the Americans with Disabilities Act of 1990, CC
Docket No. 90-571 /**

Dear Ms Salas:

The attached letter responds to questions raised at a February 7, 2001 discussion of WorldCom, Inc.'s IP-Relay service with Commission staffers: Karen Peltz-Strauss, Staci Pies, Scott Marshall, Jerry Stanshine, Sean White, and Pam Slipakoff. Please associate this with the above-captioned docket file.

Sincerely,



Larry Fenster
202-736-6513

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

Karen Peltz-Strauss
Deputy Bureau Chief
Consumer Information Bureau
Federal Communications Commission
445 12 St., SW
Washington, DC 20554

Dear Ms. Peltz-Strauss:

It was a pleasure presenting the capabilities of WorldCom Inc.'s ("WorldCom") new internet protocol relay service (IP-Relay) at our February 7, 2001 meeting with you, Staci Pies, Scott Marshall, Jerry Stanshine, Sean White, and Pam Slipakoff. In the meeting, staff requested further information and analysis to aid your consideration of WorldCom's petition requesting that the costs of this service to be reimbursed solely out of the Interstate Telecommunications Relay Service Fund.¹

Specifically, staff requested further information on: 1) the impact a decision WorldCom's request might have on the more general question of the regulatory treatment of internet protocol (IP) services; 2) the impact IP-Relay would have on competitive choice for relay customers; and 3) the statutory authority the Commission has to approve WorldCom's IP-Relay service. This letter responds to your questions below.

¹WorldCom, Inc., Petition for Clarification, ("Petition") Telecommunications Services for individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990, CC Docket No. 90-571, December 22, 2000.

IP-Relay's Eligibility For Reimbursement As An Interstate Telecommunications Relay Service (TRS) Does Not Join The Issue Of The Future Status Of IP Services

A decision regarding the jurisdictional status of IP-Relay Service does not depend on whether the Commission ultimately considers services offered via IP to be basic services, enhanced services, information services, or telecommunications services.² The Commission has already determined that any relay service is an enhanced service because the text-to-voice translation that occurs with the assistance of a telecommunications relay service (TRS) operator involves a change in the form of information.³ Per the Commission's decision, TRS is an enhanced service, whether part of the call is transported via packet or circuit switched protocols.⁴ Furthermore, the Commission has already determined that any enhanced service is an information service;⁵ and that information services are interstate services.⁶ WorldCom's IP-Relay service is a TRS service, designed for the explicit purpose of enabling communication between deaf and hard of hearing customers and the general public. Under the Commission's precedent, IP-Relay must be found to be an enhanced service. The Commission may therefore immediately declare that WorldCom's IP-Relay service is eligible for reimbursement solely from the Interstate TRS Fund.

It is worth noting that WorldCom does not seek a ruling that its internet relay service is enhanced based on the use of a particular protocol - IP. We seek the ruling based on the service's function as a relay service. Indeed, we would urge the Commission not to wade into the larger issue of the regulatory classification of IP in this context, and we believe that any decision the Commission makes in the instant case has no precedential value to the larger policy questions of how to define telecommunications services in the future

Another reason for the Commission to determine that WorldCom's IP-Relay service is eligible for reimbursement solely out of the Interstate TRS Fund is because the service's use of IP makes the originating caller's geographical location impossible to determine. IP-Relay calls have terminated in almost every state, which would indicate that calls are interstate in nature and not limited to one area. Under circumstances such as these, where the Commission has a high degree of certainty that calls are predominantly interstate but is unable to reasonably determine the exact

²See, In the Matter of Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services; 1998 Biennial Regulatory Review -- Review of Computer III and ONA Safeguards and Requirements, Further Notice of Proposed Rulemaking, CC Docket No. 95-20; CC Docket No. 98-10, (rel. January 30, 1998), at ¶41.

³Telecommunications Relay Services and Speech-to-Speech services for Individuals with Hearing and Speech Disabilities, Report and Order and Further Notice of Proposed Rulemaking, ("Advanced TRS Services Order"), CC Docket 98-67, (rel. March 6, 2000), at ¶81.

⁴47 C.F.R. § 64.702(a).

⁵In the Matter of Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, First Report and Order and Further Notice of Proposed Rulemaking CC Docket No. 96-149, (rel. December 24, 1996), ¶55.

⁶Id., ¶102.

proportion, the Commission is authorized to permit the TRS provider to be reimbursed out of the Interstate TRS Fund. Just as Section 225(d)(3)(B) authorizes the Commission to reimburse intrastate calls from the Interstate TRS Fund where a state does not have a certified state TRS program, so may the Commission reimburse calls from the Interstate TRS Fund when the state is unable to determine if a call is intrastate.

WorldCom's IP-Relay Service Will Enhance Consumers' Competitive Choices

The Commission has recognized that TRS consumers would benefit greatly if TRS providers were to compete directly to carry their calls.⁷ With the exception of California, where multiple vendors provide relay services, competition only occurs for the state contract to provide TRS service, and not for each call. The Commission's policy is to promote competition for each TRS call, but the Commission has expressed concern that it may lack the statutory authority to require states to award contracts to multiple vendors.⁸ By approving interstate reimbursement for WorldCom's IP-Relay service, the Commission will bring the benefits of competition to deaf and hard of hearing persons, and allow the Commission to fulfill its obligations under the Telecommunications Act of 1996 to promote competition in all communications markets, without imposing new requirements on states.⁹ WorldCom's IP-Relay service will provide an immediate, competitive, alternative for any TRS consumer that owns an IP-capable device, such as a computer, web phone, or personal digital assistant.

The Commission Has Clear Authority To Approve Services Such As WorldCom's IP-Relay Service

The Americans With Disabilities Act (ADA) requires the Commission to "...ensure that (its TRS regulations) ... encourage ... the use of existing technology..."¹⁰ As we discussed in our meeting and in our Petition, WorldCom's IP-Relay service will bring the benefits of the Internet to deaf and hard of hearing persons making relay calls. The service will permit TRS consumers greater access to relay services by permitting any web-enabled PC, PDA or browser to take the place of a TTY. This will make relay service accessible to persons that are currently unable to access relay via a TTY. PCs may readily be equipped with assistive input and output devices and features that accommodate persons with poor vision, poor hand flexibility, or even lack of hand mobility. Relay will now be available for these consumers.

⁷Telecommunications Relay Services and Speech-to-Speech services for Individuals with Hearing and Speech Disabilities, Notice of Proposed Rulemaking, CC Docket 98-67, (rel. May 20, 1998), at ¶65.

⁸Id., at ¶ 66.

⁹See Joint Explanatory Statement of the Committee of Conference, H. Conf. Rep. No. 104-458, 104th Cong., 2d Sess. 1 (1996).

¹⁰Americans With Disabilities Act, (ADA) Public Law 101-336, 104 Stat. 327, Title IV, Section 401(d)(2). See also Section 225(d)(2) of the Telecommunications Act of 1996.

The ADA also requires the Commission "...to ensure that interstate and intrastate telecommunications relay services are available , ...in the most efficient manner..."¹¹ IP Relay will permit rapid and continuous enhancements to TRS service. By centralizing new features and capabilities on the internet, every TRS consumer will have the latest, newest, features each time they start a new call through simple upgrades in browsing software.

Both ADA requirements clearly authorize the Commission to clarify that WorldCom's IP Relay service may be reimbursed from the Interstate TRS Fund. By quickly clarifying, the Commission will ensure that persons with disabilities share the capabilities made possible by the latest technologies; ensure the efficient deployment of TRS nationwide; and permit deaf and hard of hearing persons to enjoy improved communications capabilities at home and at work.

I hope this letter has provided the answers that will permit you to quickly consider our Petition for Clarification. Please feel free to contact me for additional information at 202-736-6513.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Fenster", written in a cursive style.

Larry Fenster

cc: Staci Pies
Scott Marshall
Jerry Stanshine
Sean White
Pam Slipakoff

¹¹ ADA, Section 401(b)(1).