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Michael B. Fingerhut
Director
Government Affairs

March 13, 2007

BY E-MAIL

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

EX PARTE PRESENTATION --Telecommunications Relay Services And Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CC Docket No. 98-67; Petition for Declaratory Ruling on Video Relay Service Interoperability CG Docket No. 03-123

Dear Ms. Dortch:

On March 12, 2007, Paul Ludwick, Todd Williams, Scott Freiermuth (by conference call) and the undersigned, all of Sprint Nextel, met with Tom Chandler, Chief of the Bureau's Disabilities Rights Office in the FCC's Consumer and Governmental Affairs Bureau. The purpose of the meeting was to discuss the compensation issues raised in the FCC's *Further Notice of Proposed Rulemaking* (FCC 06-106) issued July 20, 2006 in the above-referenced proceeding. Specifically, Sprint stated its position set forth in its comments as to why the so-called MARS plan proposed by Hamilton should not be adopted for determining the compensation rates for the various TRS services.

Sprint went on to state that if, contrary to Sprint's position, the FCC decides to adopt the MARS plan, the FCC, at a minimum, will need to ensure that it includes (1) all of the rate elements paid by a state for TRS service, including any monthly recurring charges paid by a state to cover non-traffic sensitive rates incurred by the TRS provider, in the calculation of the average rate; and, (2) an adjustment mechanism to account for increases in the state rates that occur during the fund year. Sprint also stated that the logic of the MARS plan dictates that the Commission adopt a separate rate for Captel service instead of paying the traditional TRS rate for those services.

If you have any questions, please contact me.

Sincerely,

cc: Thomas Chandler (by email)