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*Via Electronic Filing*

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

**Re: *Ex parte* notice – CG Docket Nos. 03-123, 10-51**

Dear Ms. Dortch:

As the Commission considers a new compensation regime for Video Relay Services (“VRS”), Sorenson Communications, Inc. recommends that the Commission follow the course it took in 2007 and make the new compensation rules effective 30 days after publication of the rate-setting order in the Federal Register. The Commission should extend the current regime until the new order takes effect.

This year, as has happened many times in the past, the Commission finds itself in late June having not yet adopted an order setting new compensation rates for VRS for the next plan year, which starts July 1. Yet the uncertainty this year is even greater than in many past years. The Commission adopted a price cap approach in 2007 and declared that it would in the future adopt new rates on a three-year basis.<sup>1</sup> This year’s NECA filing, however, proposed four different pricing schemes, all of which are designed to run for a single year.<sup>2</sup> Those proposed compensation rates vary widely, including rates as high as \$6.1758 and as low as \$3.8575.<sup>3</sup> And the proposals do not follow a price cap

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<sup>1</sup> *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, Report and Order and Declaratory Ruling, 22 FCC Rcd 20140, ¶ 68 (2007) (“The number and size of tiers will be reevaluated every three years.”); *id.* ¶ 72 (“At the end of the three-year period, we will reassess what the tiers and rates shall be for the ensuing three-year period.”).

<sup>2</sup> See National Exchange Carrier Association, Inc., Interstate Telecommunications Relay Services Fund Payment Formula and Fund Size Estimate, CG Docket No. 03-123, at 25 (April 30, 2010).

<sup>3</sup> *Id.*

approach. Some of these proposals would substantially reduce Sorenson's compensation rate, and if such a proposal is adopted Sorenson will need time to consider how to adjust its operations under a reduced compensation rate.

In addition, if the Commission departs from the use of a multi-year price cap plan, its order would constitute rulemaking under the Administrative Procedure Act and, accordingly, the Commission would be required to provide 30 days' public notice.<sup>4</sup> But there are not 30 days remaining before the 2010-11 funding year begins on July 1.<sup>5</sup> The Commission should therefore follow the procedure it employed in similar circumstances in 2007. There, the Bureau issued an order freezing VRS compensation rates at then-existing levels while the Commission considered changes to the compensation system.<sup>6</sup> When the full Commission issued an order establishing a new compensation regime, that order went into effect 30 days after publication in the Federal Register, consistent with the APA's requirements.<sup>7</sup> We recognize that the Commission has not always followed that approach, and has sometimes made the new rate effective immediately. We believe, however, that a delay until 30 days after publication in the Federal Register is both the preferable course when substantial changes are made to the rates and the required course when the Commission changes its rules, as it would by adopting rates for a single year.

If you have any questions or require any additional information, please do not hesitate to contact me at (202) 777-7700.

Respectfully submitted,

/s/ Regina M. Keeney

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*Counsel for Sorenson Communications, Inc.*

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<sup>4</sup> 5 U.S.C. § 553(b), (d).

<sup>5</sup> See 47 C.F.R. § 64.604(c)(5)(iii)(H).

<sup>6</sup> *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, Order, 22 FCC Rcd 11706, ¶ 1 (2007).

<sup>7</sup> *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, Report and Order and Declaratory Ruling, 22 FCC Rcd 20140, ¶ 2 & n.10 (2007).