



CSDVRS, LLC
600 Cleveland Street, Suite 1000 – Clearwater, Florida 33755
VideoPhone: 727-431-9692 Voice: 727-254-5600 Fax: 727-443-1537

December 17, 2012

Via Electronic Filing

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

RE: Purple Communications, Inc.’s December 13, 2012 Presentation
Telecommunications Relay Services and Speech-to-Speech Services for Individuals
with Hearing and Speech Disabilities; Structure and Practices of the Video Relay
Service Program, CG Docket Nos. 03-123 and 10-51

Dear Ms. Dortch:

CSDVRS, LLC d/b/a ZVRS (“ZVRS”) is in agreement with the views expressed by Purple Communications, Inc. (“Purple”) in its December 13, 2012 presentation entitled “Video Relay Services Market Reform – Rates.”¹ In particular, ZVRS supports the elimination of the lowest volume tier and the creation of a new highest volume tier beginning at 2 million minutes and up.

ZVRS commented extensively in response to the recent FCC Public Notice about the importance of continuing the tiered rate structure to sustain choice and competition while preventing overcompensation.² In its comments, ZVRS endorsed the widening of the tiers to more fully realize the economies of scale in a maturing industry. ZVRS proposed \$4.70 for the highest volume tier and \$6.00 for the next highest based on a tiered weighted average methodology rather than an industry weighted average methodology as RLSA proposed.

¹ *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Structure and Practices of the Video Relay Service Program*, Purple’s Notice of Ex Parte Conference and attachment, CG Docket Nos. 03-123 and 10-51, (December 14, 2012).

² *Structure and Practices of the Video Relay Service Program; Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, Comments of CSDVRS, LLC, CG Docket Nos. 10-51 and 03-123 (“Comments”) (November 14, 2012).

As with Purple, the 2012 preliminary audit report conducted on behalf of the Commission's Office of Inspector General indicates that ZVRS was not overcompensated for VRS services provided in 2011, concluding that "TRS funds received by CSDVRS for VRS were for the reasonable costs of providing VRS."³ As detailed in its Comments, ZVRS' 2011 operating costs were higher than RLSA's weighted average calculated costs and this discrepancy has continued in 2012 per the difference in RLSA's calculations and ZVRS' 2012 projected costs. Therefore it is critical for the Commission to adopt a refined tiered structure set at a rate level which is aligned with the actual operating costs of providers like ZVRS to enable a healthy VRS market with high quality and innovative options for consumers.

Sincerely,

/s/

Jeff Rosen
General Counsel

cc: Robert Aldrich, CGB
Jonathan Chambers, OSP
Nicholas Degani, Commissioner Pai
Eliot Greenwald, DRO
Gregory Hlibok, DRO
Karen Peltz Strauss, CGB

³ *But see FCC Office of Inspector General Semiannual Report to Congress, April 1, 2012 through September 30, 2012*, indicating the overcompensation of Sorenson, which primarily is a highest volume tier provider, "In 2011, Sorenson received significantly more in VRS compensation than what they reported on their RSDR."