Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
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

PETITION FOR RECONSIDERATION OF SPRINT CORPORATION

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PETITION FOR RECONSIDERATION
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Pursuant to section 1.429 of the Federal Communications Commission's ("FCC's" or "Commission's") rules,[1] Sprint Corporation ("Sprint") hereby seeks reconsideration of the recent rate *Order* issued in the above-captioned proceedings,[2] as well as an immediate suspension of the Internet Protocol Relay ("IP Relay") compensation rate adopted in that *Order*. The Commission should reinstate the rate of $1.2855 per minute until it is able to analyze recent developments in the IP Relay market and adopt a rate that adequately compensates IP Relay providers.

I. INTRODUCTION AND SUMMARY

On July 1, 2013, the Commission issued an *Order* adopting a baseline rate of $1.0147 for IP Relay services, with a 6% efficiency factor adjustment that will lead to further reductions in the rate over the next three years, ultimately reducing the rate to $0.918 by 2015.[3] This rate was

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1 47 C.F.R. § 1.429.

2 *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Structure and Practices of the Video Relay Service Program*, Order, DA 13-1483 (rel. July 1, 2013) ("*Order*").

3 *Id.* ¶¶ 10-20 (The IP Relay compensation rate currently is set at $1.0391. This rate will be in place until the recent *VRS Reform Order* takes effect, at which time outreach costs will be deducted from the rate, resulting in a rate of $1.0147.).

established based on a proposal by Rolka Loube Saltzer Associates LLC ("RLSA")[4] and was calculated using information received from the five companies that provided IP Relay services at the time RLSA issued its data request in January 2013.[5] Now, however, only two providers – Sprint and Purple Communications, Inc. ("Purple") – remain in the IP Relay business, as AT&T Services, Inc.; Hamilton Relay, Inc.; and Sorenson Communications, Inc. ("Sorenson") have all decided to discontinue service. This rapid exodus from the marketplace appears to be tied, at least in part, to the Commission's failure to adopt a rate that adequately compensates providers for their IP Relay services. Indeed, when Sorenson announced its plans to exit the IP Relay business, it expressly stated that its decision was based on the fact that the rates adopted in the *Order* "are simply too low to sustain a high quality service" and "will not yield functionally-equivalent telecommunications relay services."[6]

As explained below, this precipitous change in the competitive landscape should give the Commission pause and lead to a careful reconsideration of the IP Relay rate. On reconsideration, the FCC should ensure that the new rate it adopts for IP Relay:

- is sufficient to sustain the continued provision of IP Relay by allowing providers to earn a reasonable return on their investments;
- preserves the benefits of competition;
- ensures adequate service quality; and
- reflects the similarity in the costs of providing IP Relay and traditional Telecommunications Relay Service ("TRS").

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4 *Interstate Telecommunications Relay Services Fund: Payment Formula and Fund Size Estimate*, Rolka Loube Saltzer Associates LLC, CG Docket Nos. 03-123 and 10-51 (May 1, 2013) ("RLSA Report").

5 *Id.* at Appendix B – *Interstate TRS Fund Annual TRS Provider Data Request*.

6 Letter from John T. Nakahata, Sorenson Communications, Inc., to Marlene H. Dortch, FCC Secretary, CG Docket No. 03-123 (July 8, 2013).

In the meantime, the Commission should immediately suspend the new rate and revert to the previously-applicable rate of $1.2855 per minute until it completes the reconsideration proceeding. Otherwise, the Commission faces the very real risk that even the remaining providers of IP Relay will discontinue service due to inadequate compensation.[7]

II. THE IP RELAY RATE SHOULD BE SUSPENDED IN LIGHT OF THE DRASTIC CHANGES THAT HAVE OCCURRED IN THE MARKETPLACE

As outlined below, the IP Relay rate should be suspended both because recent market upheaval renders RLSA's calculations obsolete and because Sorenson's departure from the IP Relay business will dramatically increase the remaining providers' costs.

A. The Departure of Several Providers Makes RLSA's Calculations Obsolete

The fact that 60% of IP Relay providers have decided to exit the marketplace is a material change that requires a review of the rate, especially since the rate was calculated based on data from five providers, three of which will not be providing service over the next three years that the rate will be in effect. Moreover, the fact that Sorenson's departure was explicitly tied to the adoption of an inadequate rate should lead the Commission to reexamine the rate and adopt a new order that affords providers adequate compensation. Otherwise, the Commission runs the risk of further departures that may leave consumers without access to IP Relay.

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[7] As explained in the waiver petitions filed by Sprint and Purple, both providers expect to incur substantial additional short-term costs as they ramp up their capacity to handle the calls previously directed to Sorenson's IP Relay. Petition for Temporary Limited Waiver, Sprint Corporation, CG Docket Nos. 03-123 and 10-51 (July 16, 2013); Emergency Petition for Limited Waiver, Purple Communications, Inc., CG Docket Nos. 03-123 and 10-51 (July 11, 2013) ("Purple Petition"). Even if one were to assume that the new rate is sufficient to compensate providers under normal circumstances – which it is not – it clearly was not designed to cover the additional costs imposed by Sorenson's unexpected decision to abandon the IP Relay market. The remaining providers cannot be expected to make the investments required to meet the increased demand without some assurance of adequate compensation.

B. Sorenson's Recent Decision to Exit the IP Relay Business Has a Dramatic Impact on Costs

The IP Relay rate methodology is designed to allow for an "adjustment[] for any appropriate exogenous costs."[8] As the market for IP Relay has declined in recent years, providers have made few, if any, capital expenditures, instead relying on the network and infrastructure already in place. This has led to a decline in the IP Relay rate as providers have not sought to recover significant capital costs. The swift departure of three of the five IP Relay providers, however, will require Sprint – and presumably Purple[9] – to incur costs they had not anticipated when they submitted their rate data. Most notably, Sprint must be prepared to absorb an unknown portion of the large volume of IP Relay calls formerly handled by Sorenson, which was the second largest provider of IP Relay services at the time it decided to discontinue service.

In order to handle these additional calls, Sprint must hire and train additional communications assistants ("CAs") and may need to open new call centers, expand existing call centers, and/or make certain infrastructure improvements. Sprint cannot simply take over Sorenson's CAs or call centers. To begin, Sprint and Sorenson's call centers are likely not geographically co-located. Sprint also utilizes different IP Relay platforms, equipment, and technologies. Most notably, Sprint offers web-based services, whereas Sorenson uses instant message ("IM")-based services. Sprint, therefore, would need to train former Sorenson CAs just as Sprint would a new hire – thus, there would be no cost savings if Sprint were to hire former Sorenson CAs. In short, the investments and costs needed to absorb Sorenson customers clearly

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8 *Order* ¶ 12.

9 Purple Petition.

constitute exogenous costs – *i.e.*, "costs beyond the control of . . . IP Relay providers that are not reflected in the inflation adjustment"[10] – that require an adjustment to the base rate.

The precise amount of these exogenous costs is impossible to predict, however. Sprint cannot provide an exact estimate of the magnitude of the increased call volume it will experience over the next few months as Sorenson's customers migrate to the remaining providers.[11] While it is likely that both Sprint and Purple will receive additional calls, there is no way to anticipate the relative distribution of such calls between the two remaining IP Relay providers. In the face of such uncertainty, Sprint must invest enough to ensure that it has sufficient capacity to handle the maximum call volume it is likely to experience in the wake of Sorenson's departure. Otherwise, Sprint runs the risk of receiving *no* compensation for the IP Relay calls it handles.[12]

If Sprint is to continue as an IP Relay provider, it will require sufficient funding and flexibility to allow it to maintain its current high-quality service and accommodate the new call volumes created by Sorenson's sudden exit from the marketplace. Absent action by the Commission, the increased costs imposed by recent events will be incurred just as the IP Relay rate is being slashed, leaving Sprint with virtually no chance to recoup its investment, especially

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10 *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, ¶ 44 (2007) ("*2007 Cost Recovery Order*").

11 In addition, in light of the Commission's decision to prohibit IP Relay providers from receiving compensation for outreach activities, Sprint has even less certainty regarding the volume of calls it will handle.

12 *See* 47 C.F.R. § 64.604(b)(2)(ii) (requiring that 85% of IP Relay calls be answered within 10 seconds); *see also* 47 C.F.R. § 64.604(c)(5)(iii)(E), (L); *Structure and Practices of the Video Relay Services Program; Purple Communications, Inc. Request for Review of the Decision of the TRS Administrator to Withhold TRS Payment*, Order, 27 FCC Rcd 8014, ¶¶ 1, 27 (2012) (explaining that failure to comply with the average speed-of-answer rule can lead to compensation being withheld for each day a provider is out of compliance as well as other forfeitures and penalties).

given the fact that the rate will be reduced even further over the next two years.[13] This is both untenable and inequitable. In order to avoid this result, the Commission should suspend the $1.0147 rate – and restore the $1.2855 rate – until it can undertake a more thorough analysis of the appropriate rate structure and rate for IP Relay services going forward.

III. THE COMMISSION SHOULD ENSURE THAT THE IP RELAY RATE IS SUFFICIENT TO OFFER THE TWO REMAINING PROVIDERS ADEQUATE COMPENSATION

After the current IP Relay rate is suspended, the Commission should engage in a careful reconsideration of the appropriate rate for IP Relay going forward. In conducting this examination, the Commission should consider the significant similarities between IP Relay and traditional TRS, the need for high-quality service, the benefits of continued competition in the IP Relay marketplace, and the need for regulatory certainty.

A. The Order Ignores the Similarities Between IP Relay and Traditional TRS

The Commission has long recognized that the costs of providing IP Relay and traditional TRS are "generally similar."[14] In fact, the IP Relay rate previously was set identical to the traditional TRS rate.[15] Nonetheless, in 2007, the Commission decided that IP Relay should be subject to a different rate structure than traditional TRS, ostensibly because "there are no state rates for this service" and due to concerns that using the traditional TRS rate structure "may result in the overcompensation of IP Relay providers."[16]

As an initial matter, although the lack of state IP Relay programs may make it impractical to rely on the Multistate Average Rate Structure plan to set IP Relay rates, it does not alter the

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13 Thus, absent an adjustment to the rate, Sprint is all but guaranteed to incur a loss on any investments it makes to accommodate the traffic generated by Sorenson's former customers.

14 *2007 Cost Recovery Order* ¶ 41.

15 *Id.* ¶ 39.

16 *Id.* ¶ 41.

fundamental fact that the costs of providing the two services are not materially different. As the Commission itself acknowledged, "in many instances, . . . the same CAs, sitting at the same offices, handle both traditional TRS and IP Relay calls."[17] Indeed, Sprint uses the same network, CAs, and equipment to provide IP Relay and traditional TRS. While there might be some slight differences between IP Relay and TRS that may justify a marginally higher rate for traditional TRS,[18] the current TRS rate is more than twice the current IP Relay rate. Such a disparity is inexplicable given that the services offer virtually the same functionality – a text-based system that uses a CA to facilitate calls between a hearing individual and an individual who is deaf or hard of hearing.

In addition, despite the Commission's early concerns regarding possible overcompensation, the real problem facing the FCC today is the fact that its current rates *under*compensate IP Relay providers. In fact, since the current rate structure was adopted, five of seven IP Relay providers have departed the IP Relay marketplace, at least in part because they found it was not financially viable to continue providing service.[19] Given this reality, the Commission should revisit its initial finding and consider, in light of the current competitive landscape and more than five years of additional data and experience, whether IP Relay providers should be compensated at a rate that is comparable to the rate for interstate traditional TRS.

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17 *Id*.

18 For example, the use of an IP-based network, rather than traditional phone lines, may result in some cost efficiencies that make IP Relay slightly less expensive to provide. On the other hand, IP Relay providers must incur costs to verify users' identities in order to prevent fraud. In addition, there might be some differences between the states and the Commission regarding minimum quality standards that could affect providers' costs.

19 *TRS Fund Performance Status Report*, Rolka Loube Saltzer Associates (Feb. 2008), http://www.r-l-s-a.com/TRS/reports/0208JanuarydataTRSstatus.pdf (showing seven IP Relay providers as of January 2008).

It is noteworthy that the state TRS rates upon which the federal rate is based are set through a competitive bidding process. Thus, a bidder that submits an unreasonably high rate will be undercut by a more competitive bid that more accurately reflects the costs an efficient firm must incur to provide service. The market-based rates that result from competitive bidding are, therefore, more reflective of the costs of providing IP Relay than are the rates RLSA derives based on regulatory reporting requirements.[20]

B. The Current IP Relay Rate Is Not High Enough to Allow for Adequate Service Quality

On reconsideration, the Commission also should evaluate the relationship between the rate structure it adopts and the quality of service available to consumers. As noted above, the Commission's concern with driving IP Relay rates down has led to mass defections from the business. Not coincidentally, it also has led the dominant provider to sacrifice quality in an effort to remain profitable, as demonstrated by a recent unsolicited study by the Paisley Group.[21] For example, while Purple only completed 15.3% of calls with a typing speed of 60 or greater words per minute ("WPM"), Sprint completed an average of 84% of calls at that speed (Sprint's CAs average 76.4 WPM; Purple's CAs average 48.4 WPM). And when accuracy is taken into account combined with speed, Sprint's CAs handled 64.7% of calls at 60+ WPM and 95%

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[20] *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, ¶ 165 (2011) (noting that market-based mechanisms such as competitive bidding "ensure the most efficient and effective use of public resources").

[21] *See* Attachment A (summarizing and attaching supporting pages of the *National Relay Service Performance Index*, The Paisley Group Ltd. (March 2013)). A complete copy of the *Index* may be obtained by contacting Jeff Rudolph at jrudolph@thepaisleygroup.com.

accuracy, whereas Purple's CAs handled only 9.3% of calls at these levels.[22] Purple also experienced more "critical errors" and demonstrated a lower rate of "overall customer care."[23] The Commission should adopt a rate that takes into account service quality; moreover, the FCC must ensure that the rate allows providers to meet the FCC's mandatory minimum standards for IP Relay.

Ironically, failure to adopt an adequate IP Relay rate could drive an *increase* in the size of the Interstate TRS Fund. Customers demand a certain level of quality. If IP Relay providers cannot afford to meet those demands for quality, customers will migrate to different services, all of which cost more per minute than IP Relay. Indeed, IP Relay providers that are exiting the market already are advising users that they may transition from IP Relay to other services they offer, such as Video Relay Service ("VRS").[24] Reverting to the 2012 IP Relay rate would increase the Fund size by less than 0.6%, far less than the Fund would grow if a relatively small segment of market demand shifted from IP Relay to more costly forms of TRS such as traditional TRS, IP Captioned Telephone Service, or VRS. Moreover, if both of the remaining providers leave the business, the Fund size will increase significantly as consumers have no choice but to switch to other forms of TRS that are both less suited to their needs and more costly to provide.[25]

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22 *Id.*

23 *Id.*

24 SIP Relay, Sorenson, http://www.siprelay.com/ (last visited July 31, 2013).

25 Unlike VRS, for example, IP Relay can be used by individuals who are not fluent in American Sign Language. In addition, IP Relay is often the most effective means of communication for consumers who are on the go, as it can be used easily by consumers who have access to smartphones or other mobile devices. *See* discussion *infra* at 10-11.

C. The Commission Should Ensure that IP Relay Consumers Realize the Benefits of Competition

The Commission recently indicated that its reforms of the VRS program were designed not only to lower costs, but also to "support innovation and competition . . . and further protect consumers."[26] These goals should apply with equal force to the FCC's consideration of the appropriate IP Relay rate. If the Commission does not provide an adequate rate for IP Relay service, the IP Relay marketplace may soon consist of only one provider or, worse yet, IP Relay may cease to be offered at all.

Having only one provider would undermine the Commission's goals by depriving customers of the many well-known benefits of competition, including innovative service offerings and higher service quality. For example, if a provider was unconstrained by consumers' ability to switch to a different provider, there would be no incentive to provide a higher-quality service. In addition, once providers fully exit the marketplace, there are significant costs to reentry. If a single provider controlled the market, nothing would constrain its ability to claim additional costs, thereby increasing future rates.

Worse still, in light of the low rate and continuing rate decreases that are slated to occur in the coming years, it is possible that both IP Relay providers eventually will leave the market, thereby depriving consumers of IP Relay entirely. While, as noted above, some consumers could transition to other forms of TRS, these new technologies are more costly. More importantly, these alternative technologies are less "functionally equivalent" than IP Relay for at least some

[26] *FCC Launches Fundamental Restructuring of Video Relay Service Program Serving Americans with Hearing and Speech Disabilities*, News Release (June 10, 2013), http://transition.fcc.gov/Daily_Releases/Daily_Business/2013/db0610/DOC-321504A1.pdf.

users.[27] For example, IP Relay "provides accessible communications not only for individuals who are deaf, but also people who are deaf-blind, have speech impairments, who do not know American Sign Language or who do not have sufficient broadband speed to use VRS."[28] Moreover, as the National Association for the Deaf has recognized, "IP Relay is often the only way someone who is deaf or hard of hearing can reach 911 while outside of the home[.]"[29] Thus, the failure to offer sufficient compensation to attract IP Relay providers could deprive many deaf and hard-of-hearing consumers of a critical form of relay service and leave consumers, in at least some instances, without access to emergency services – a result that would contravene the tenets of the Americans with Disabilities Act.[30]

D. The Commission Should Set a Rate that Offers IP Relay Providers Reasonable Regulatory Certainty

At present, Sprint and Purple face multiple types of uncertainty if they choose to remain in the IP Relay business. The Commission should account for these uncertainties as it reconsiders the appropriate compensation rate for IP Relay.

As an initial matter, it is unclear that, even if Sorenson had continued to offer IP Relay service, Sprint would have been able to provide service at the rate adopted. Among other deficiencies, the IP Relay rate does not recognize that providers need to have an opportunity to

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[27] 47 U.S.C. § 225(a)(3) (requiring common carriers to provide telecommunications relay services that are "functionally equivalent" to the communications services available to hearing individuals).

[28] Purple Petition at 3; *see also* Letter from Claude Stout, Telecommunications for the Deaf and Hard of Hearing, Inc.; Brenda Estes, Association of Late-Deafened Adults, Inc.; Cheryl Heppner, Deaf and Hard of Hearing Consumer Advocacy Network; Mark Hill, Cerebral Palsy and Deaf Organization; and Howard Rosenblum, National Association of the Deaf, to Marlene H. Dortch, FCC Secretary, CG Docket Nos. 03-123 and 10-51 (June 26, 2013).

[29] Letter from Andrew S. Phillips, National Association of the Deaf, to Marlene H. Dortch, FCC Secretary, CG Docket Nos. 12-38 and 03-123, at 1 (Aug. 23, 2012).

[30] 47 U.S.C. § 225.

make a reasonable profit. Companies simply do not make significant investments and incur monetary risks unless they can expect a positive return. Yet, the IP Relay rate the Commission adopted almost guarantees that Sprint will not be able to make a profit offering IP Relay. Indeed, the continuously declining IP Relay rate adopted by the Commission makes it unlikely that providers will be able to "break even" over the rate period. Instead, Sprint will be left trying to minimize its losses over the next three years.

The current rate also fails to account for the fact that no provider – no matter how high the quality of its service – will be compensated for 100% of the call minutes it handles. Thus, while rates are calculated as if all IP Relay service minutes will be compensated in a timely fashion, the fact is that some payments may be delayed, or even denied altogether. Indeed, the Commission or RLSA can change the requirements for receiving compensation at any point during the funding period. In the past, for example, RLSA has changed the requirements related to how minutes are submitted for compensation. This, in turn, required Sprint to make changes to its recordkeeping systems. As a result, Sprint not only had to incur additional costs to comply with the new requirements (a cost for which it was not compensated), but it also faced the risk of failing to be fully compensated if RLSA or the FCC determined that Sprint had not adequately complied with the new requirements or had not complied in a timely fashion. Sprint must, therefore, contend with the fact that there are almost always some minutes that Sprint relays for which it receives no compensation.[31] Additional difficulties arise when payments from the Fund are delayed for lengthy periods, an occurrence that happens with unacceptable frequency.[32]

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[31] Even beyond the risks associated with potential changes in reporting and other requirements, providers face potential non-payment for failure to meet existing requirements. As the Paisley report demonstrates, Sprint generally provides excellent speed-of-answer performance, with a connect time that is less than half of Purple's. *See* Attachment A. Nonetheless, under the Commission's current regime, Sprint runs the risk of losing compensation

Despite these fundamental questions regarding the sufficiency of the current rate, the Commission proposes to further decrease the rate going forward by 6% per year based on an assumed increase in efficiency.[33] It is far from clear that IP Relay costs will decrease over time at all, much less by a factor as high as 6%. As noted above, Sprint has every reason to believe that its costs will actually *increase* during this period, as it will be required to make significant capital expenditures to meet increased demand. The current rate is insufficient to recover these expenses, and additional rate decreases create the very real possibility that any remaining providers will have to incur losses if they choose to continue providing IP Relay. Absent the adoption of a more adequate IP Relay rate, standard business practices militate against making such investments. The current rate simply does not make sufficient allowances for the risk that Sorenson's exit, combined with the FCC's penalties for failure to comply with its rules, will lead to either overinvestment or undercompensation.

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for entire days of service if it fails to meet the speed-of-answer requirement. The IP Relay rate provides no leeway for these types of "costs of doing business." This is akin to a retailer failing to make allowances for the losses it may incur if a customer shoplifts or an employee skims from the till. No one wants these events to occur, but it is unreasonable not to build the costs of such losses into a business plan.

[32] Indeed, such delays led the Interstate TRS Advisory Council to actively support "a more timely payment schedule for provider reimbursement" and "consideration of additional interest payments made for reimbursements that are significantly delayed." RLSA Report at Appendix F – *Interstate TRS Advisory Council: Draft Meeting Minutes*.

[33] *Order* ¶ 18.

IV. CONCLUSION

For the foregoing reasons, Sprint respectfully asks the Commission to reconsider the recent rate *Order* and immediately suspend the IP Relay rate adopted in that *Order*. The Commission should reinstitute the previously-applicable rate of $1.2855 pending completion of the reconsideration proceeding and adoption of a more appropriate compensation rate.

Respectfully submitted,

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ATTACHMENT A

IP RELAY

QUALITY OF SERVICE

- *National Relay Service Performance Index* published March 2013
- Paisley Group Ltd. Study conducted 1/19/2013 – 2/28/2013
- At that time, there were five (5) IP Relay Providers
    - ATT and Hamilton are no longer providing IP Relay
    - Sorenson to stop providing IP Relay on July 31
    - Leaving Sprint and Purple (i711.com)

	Sprint	**Purple/ i711.com**
Average Connect Time	10.7 seconds	23.5 seconds
Average Words Per Minute (WPM)	76.4	48.4
% at 60 + WPM	84.0%	15.3%
% Accuracy – Typed Accuracy	95.3%	93.5%
Total Calls w/ over 95% Accuracy	72.0%	60.7%
Over 95% Accurate & 60+ WPM	64.7%	9.3%
Critical Errors	9	24
Overall Customer Care	100%	94%

National Relay Service Performance Index

Prepared by: The Paisley Group Ltd.

March 2013

National Relay Competitive Index

Purpose

The Paisley Group, Ltd. (PGL) is proud to release this edition of the Relay Performance Index[SM] (Index). This is the industries only comparative study that provides Relay Service-related companies with specific competitive intelligence to track and gauge their performance against other competitive providers. Such intelligence is invaluable for continuous improvement, for making strategic business decisions and, in this very competitive environment, for promoting the subscriber's Relay services.

PGL audited all companies using the same processes, samples and strict statistical standards to provide the most accurate comparison possible. Calls were placed to each company in a timely fashion to ensure identical circumstances. Data provided includes the typing speed and accuracy of the Communication Agent (CA) from IP providers Sprint IP, Hamilton IP, AT&T IP, Sorenson IP and i711.com, as well as TTY providers AT&T, Hamilton, and Sprint, .

Methodology

The Paisley Group (PGL) auditors contacted each relay providers national access route using a Teletype (TTY) device or an internet relay (IP) service. All calls were made with written scripts. The CA was timed using an electronic stopwatch while the CA is typing during the call. Calls made with a TTY device were timed by activating the timer as typed letters appeared. When typing paused, the timer was deactivated and re-started when the typing began. For IP calls, typed letters come across the screen in chunks The timer is activated when the first letter appeared and the timer was stopped when the last letter appeared. Sorenson IP and AT&T use a Instant Messaging based application, WPM were not calculated. PGL used new scripts for this audit so that no provider would have previous knowledge of the scripts. Each script was designed to give the CA ample typing time and a variety of words and phrases to test the speed and accuracy fairly.

Words Per Minute (WPM) were calculated by counting the number of characters divided by the time (in seconds), multiplied by 60 (to get characters per minute), divided by 5 (5 characters per word).

The accuracy of the typing was calculated by taking the number of errors made divided by the number of words typed. Spoken errors were tracked and accuracy was determined by dividing the number of errors by the number of spoken words.

150 calls were made into each provider. The calls were placed over all seven days of the week and were completed between the hours of 6am and 11pm during the time period of January 19th to February 28th, 2013.

Sprint, Hamilton, and AT&T audit events were placed using NexTalk software with a voice modem at TTY speed. IP calls were made to the websites of Hamilton Online, i711.com, Sorenson AIM, AT&T AIM and Sprint Online.

National Relay Competitive Index

Customer Care

Customer Care [SM] was included in this measurement. Care evaluates: 1) the extent to which CAs leave customers with the impression that they were engaged on their behalf (customer advocacy), and; 2) the extent to which CAs follow prescribed procedures (call handling efficiency.)

Unlike many subjective measurements of customer service, the *Customer Care* [SM] process measures on an array of specific CA behaviors that detract from the customer's experience. A few examples include:

- CA asks for the same information multiple times
- CA fails to recover from technical issues in an appropriate manner
- CA does not open or close the call appropriately, including providing their CA number
- CA speaks in a monotone or rude tone, or types in an unclear manner
- CA does not appropriately acknowledge

If any unacceptable Care behavior is demonstrated at any time throughout the call, the call is considered "not cared for". A single call can have more than one unacceptable *Customer Care* [SM] indicator, meaning the total number of indicators may be greater than the number of calls not cared for.

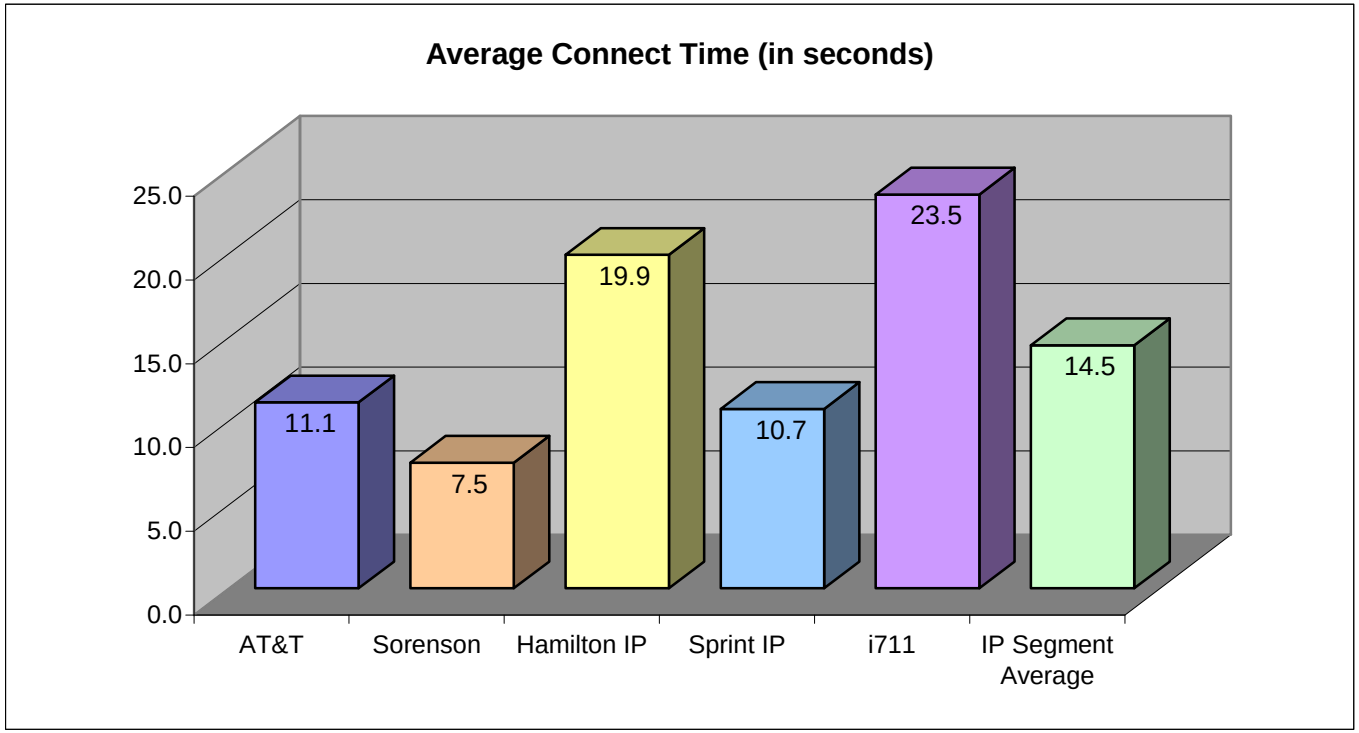
Passed Calls

Passed Calls are the hallmark of a "perfectly" handled call. They epitomize Outstanding Call Quality and typically correlate with the level of "Delighted" Customers.

Passed Calls include all of the following attributes:

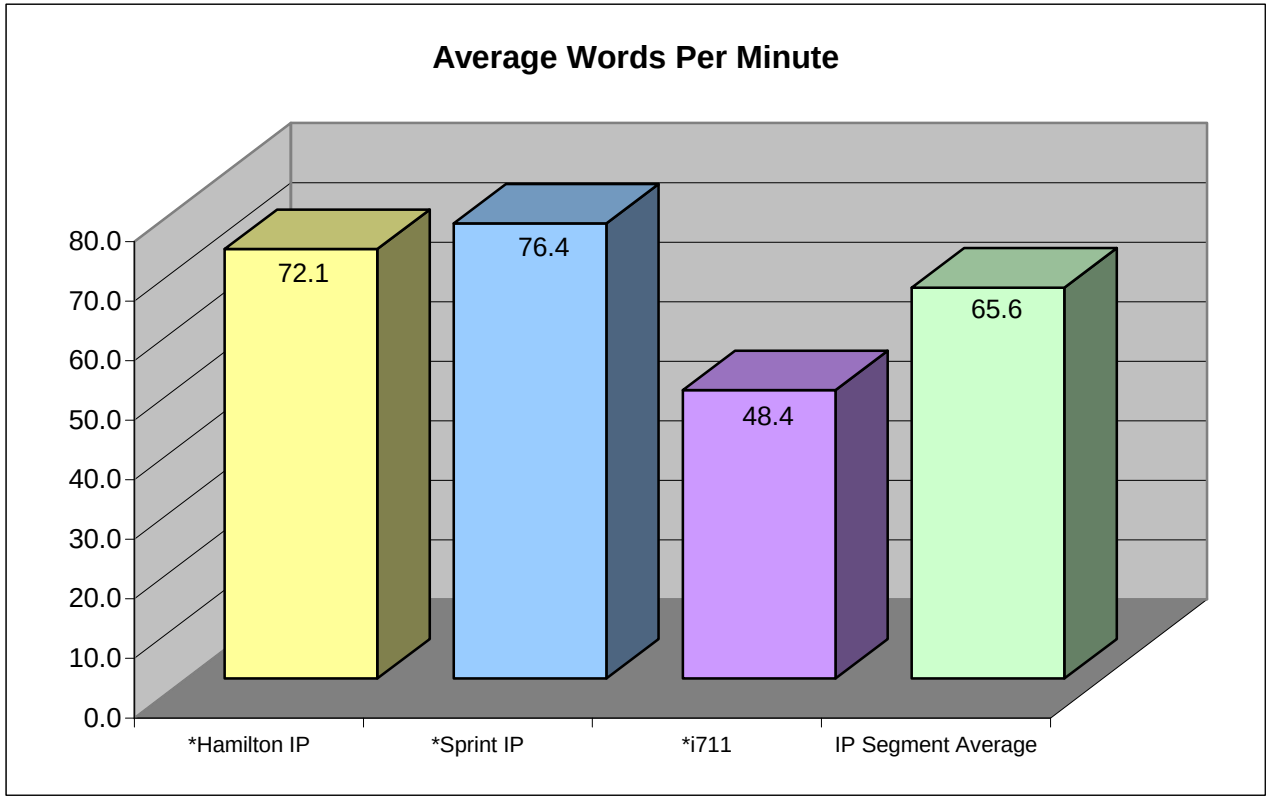
- **Greater than 95% Typing Accuracy**
- **60 Words Per Minute or higher (omitted for IP)**
- **No Critical Errors**
- **100% Verbatim Accuracy**
- **No Customer Care Errors**

National Relay Competitive Index



CALL TIMING			
Company	**Average Connect Time**	**Conversation Minute Length**	**Session Minute Length**
	Seconds	**(min : sec)**	**(min : sec)**
AT&T	11.1	3:40	3:53
Sorenson	7.5	3:51	4:07
Hamilton IP	19.9	3:34	4:00
Sprint IP	10.7	3:34	3:53
i711	23.5	4:34	4:56
IP Segment Average	14.5	3:50	4:10

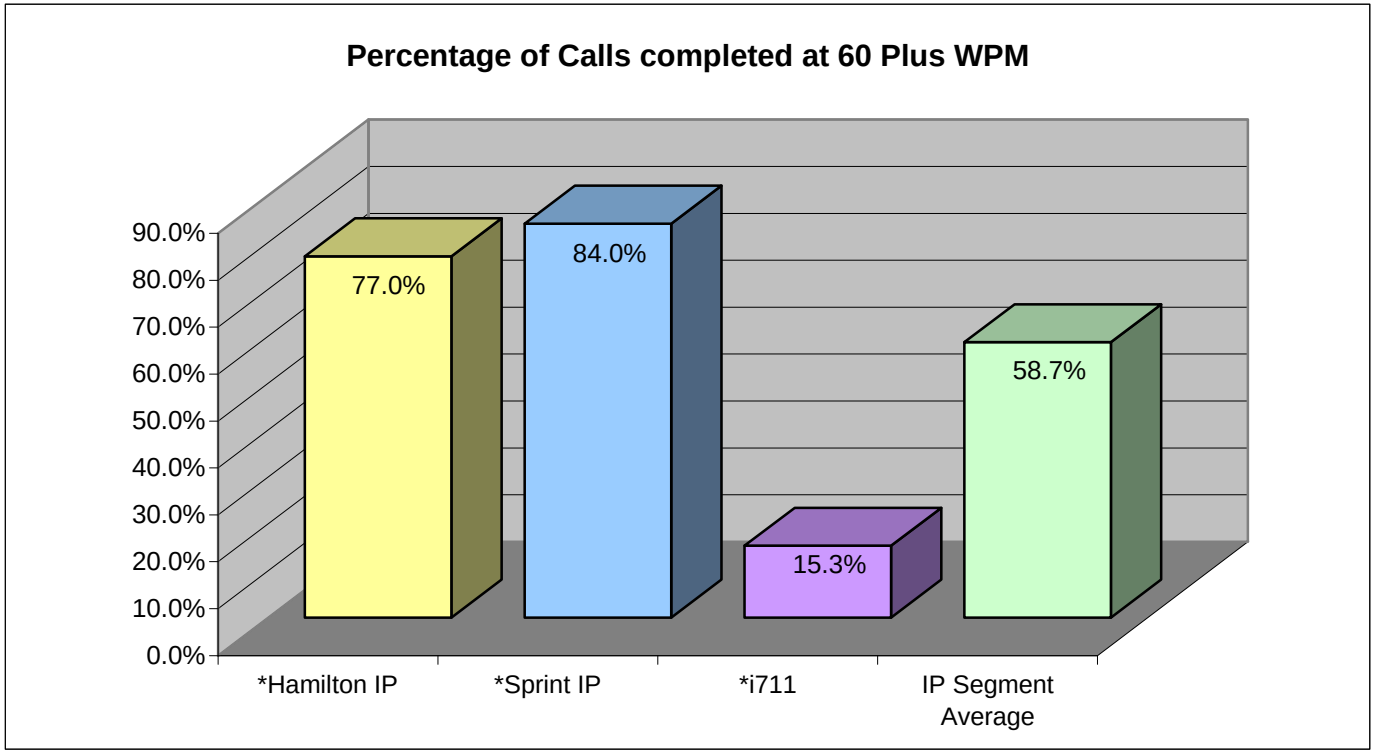
National Relay Competitive Index



TYPING SPEED		
Company	Total Calls	Average WPM
	#	#
AT&T	150	N/A
Sorenson	150	N/A
*Hamilton IP	148	72.1
*Sprint IP	150	76.4
*i711	150	48.4
IP Segment Average	149	65.6

**WPM results may be influenced by Internet performance.*

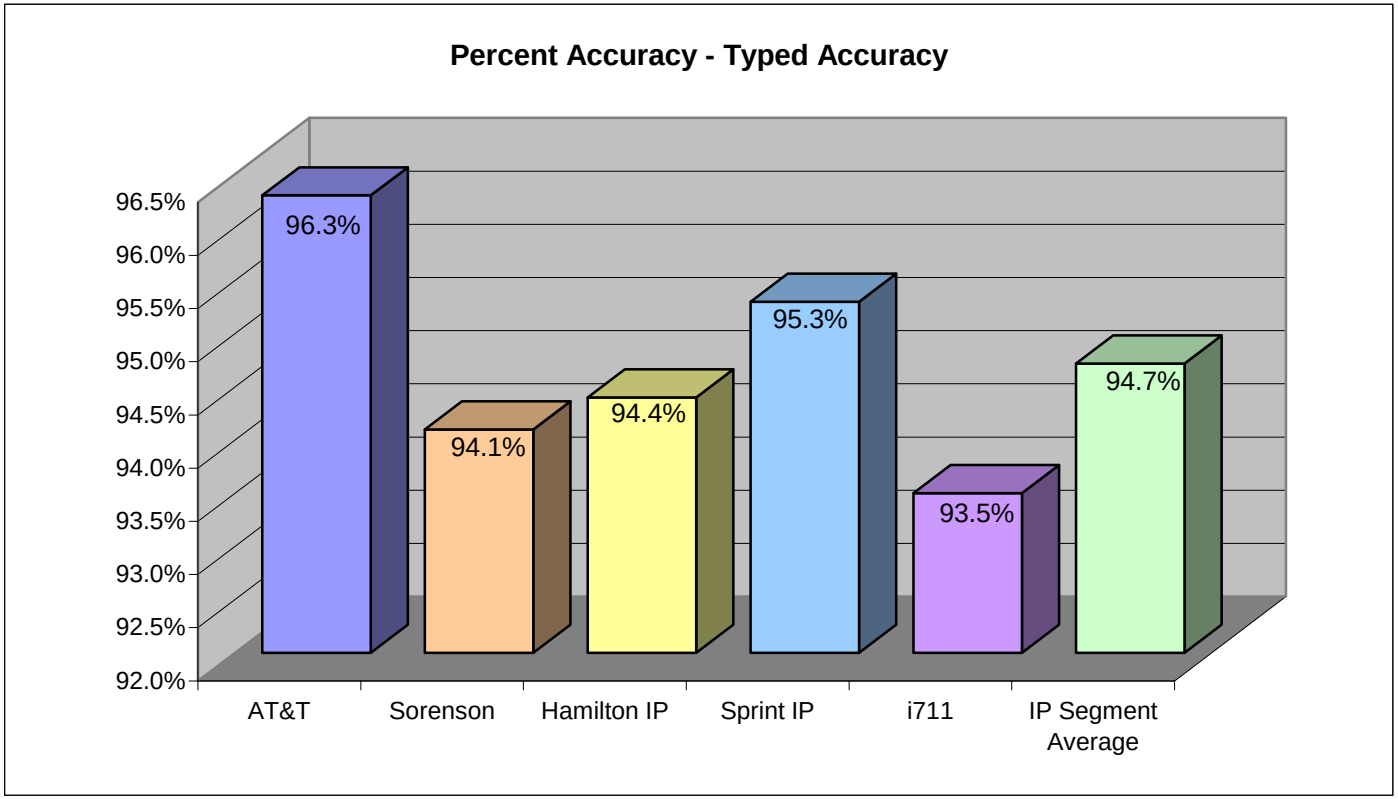
National Relay Competitive Index



TYPING SPEED						
Company	Total Calls	Less Than 60 WPM		60 Plus WPM		Error of Estimation
	#	#	%	#	%	%
AT&T	N/A	N/A	N/A	N/A	N/A	N/A
Sorenson	N/A	N/A	N/A	N/A	N/A	N/A
*Hamilton IP	148	34	23.0%	114	77.0%	6.8%
*Sprint IP	150	24	16.0%	126	84.0%	5.9%
*i711	150	127	84.7%	23	15.3%	5.8%
IP Segment Average	149	62	41.3%	88	58.7%	7.9%

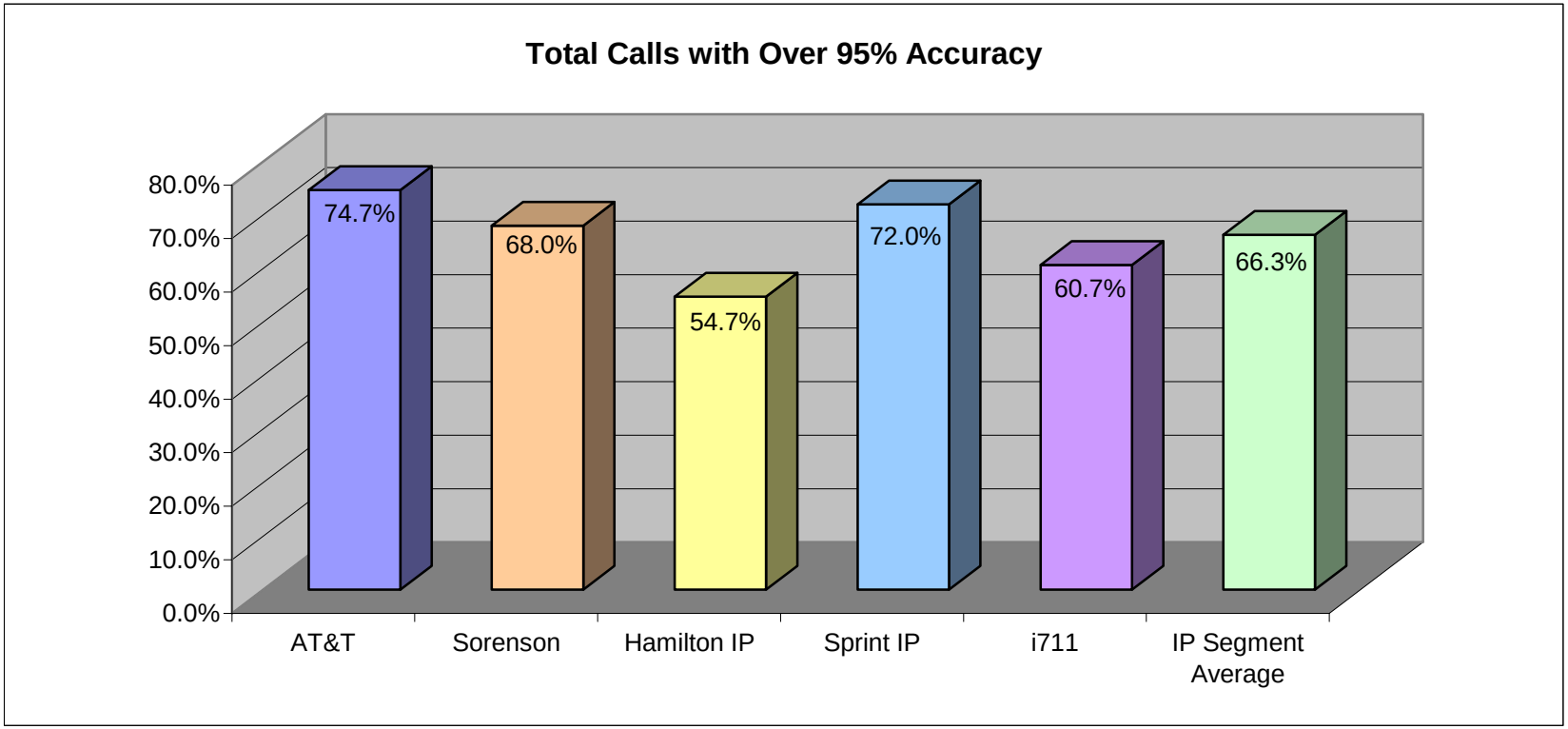
**WPM results may be influenced by Internet performance.*

National Relay Competitive Index



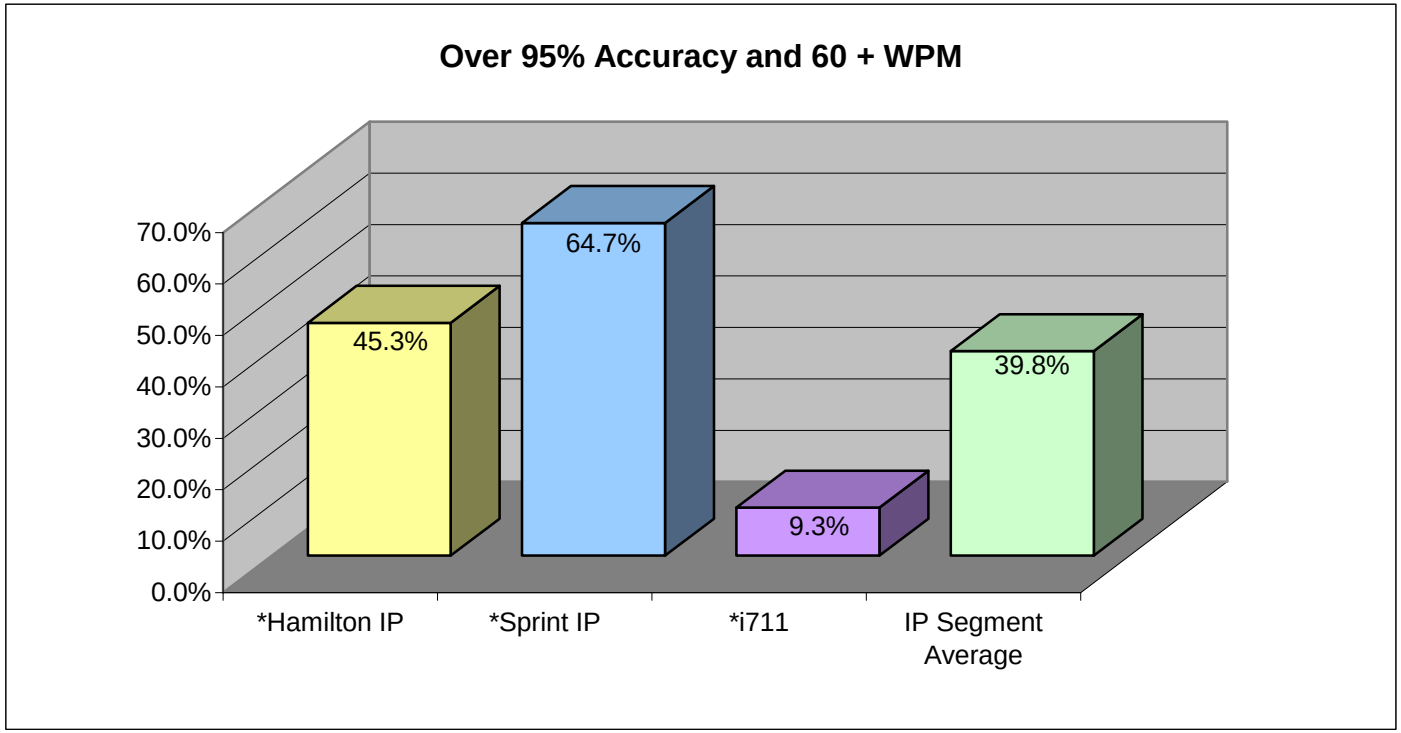
TYPED ACCURACY			
Company	Completed Calls	Percent Accuracy	Error of Estimation
	#	%	
AT&T	150	96.3%	3.0%
Sorenson	150	94.1%	3.8%
Hamilton IP	148	94.4%	3.7%
Sprint IP	150	95.3%	3.4%
i711	150	93.5%	3.9%
IP Segment Average	150	94.7%	3.6%

National Relay Competitive Index



TYPED ACCURACY							
Company	Completed Calls	Over 95% Accuracy		85% to 95% Accuracy		Under 85% Accuracy	
	#	#	%	#	%	#	%
AT&T	150	112	74.7%	34	22.7%	4	2.7%
Sorenson	150	102	68.0%	37	24.7%	11	7.3%
Hamilton IP	148	81	54.7%	63	42.6%	4	2.7%
Sprint IP	150	108	72.0%	33	22.0%	9	6.0%
i711	150	91	60.7%	45	30.0%	14	9.3%
IP Segment Average	149	99	66.3%	42	28.5%	8	5.6%

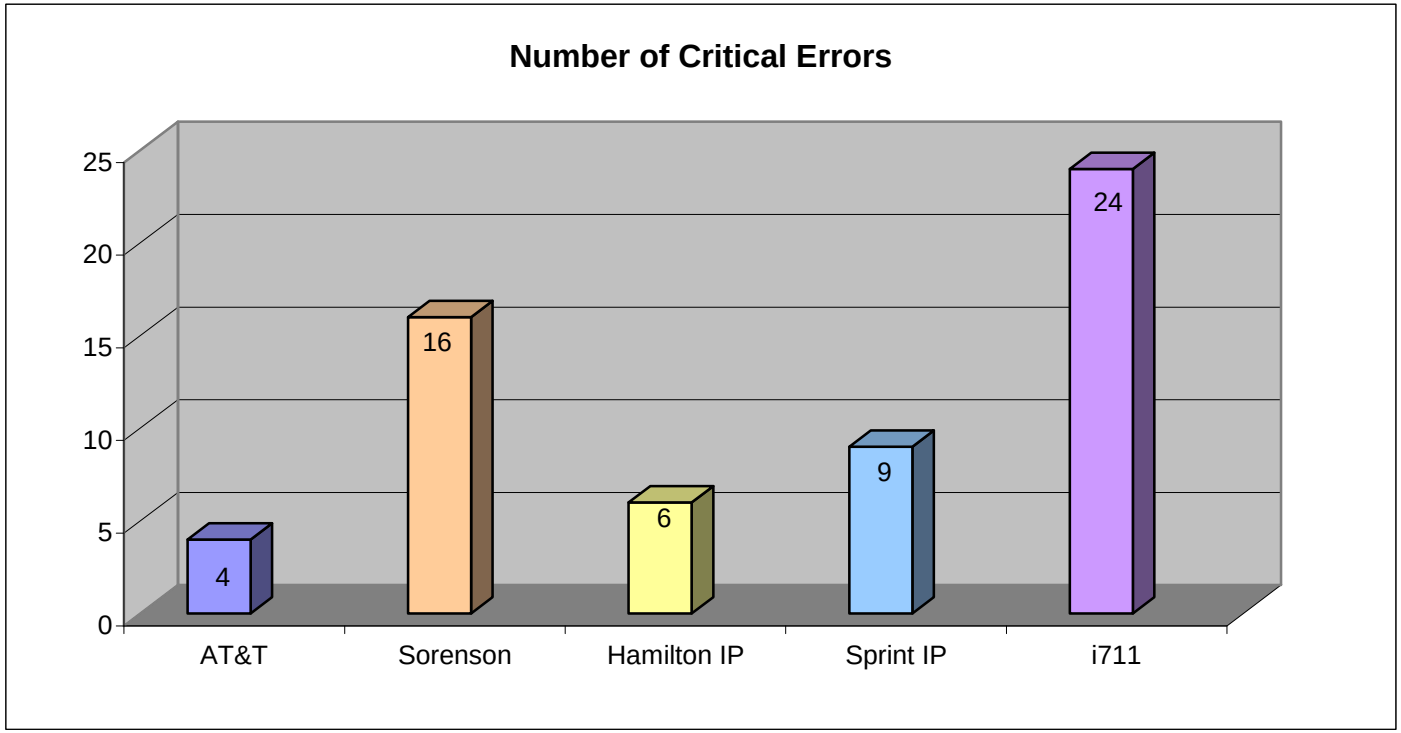
National Relay Competitive Index



TYPED ACCURACY AND SPEED		
Company	Total Calls Over 95% Accuracy & 60 + WPM	
	#	%
*AT&T	N/A	N/A
*Sorenson	N/A	N/A
*Hamilton IP	67	45.3%
*Sprint IP	97	64.7%
*i711	14	9.3%
IP Segment Average	59	39.8%

**WPM results may be influenced by Internet and/or Application*

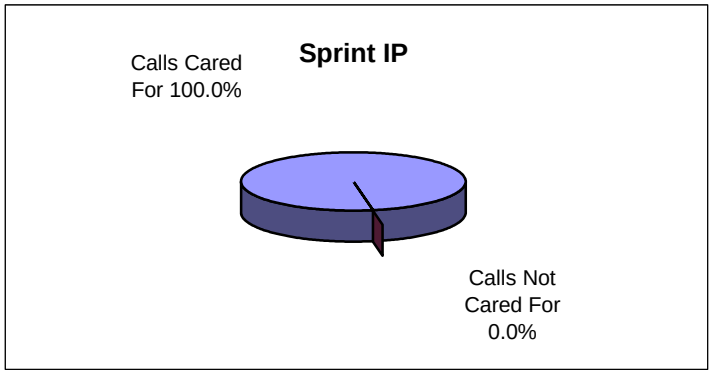
National Relay Competitive Index

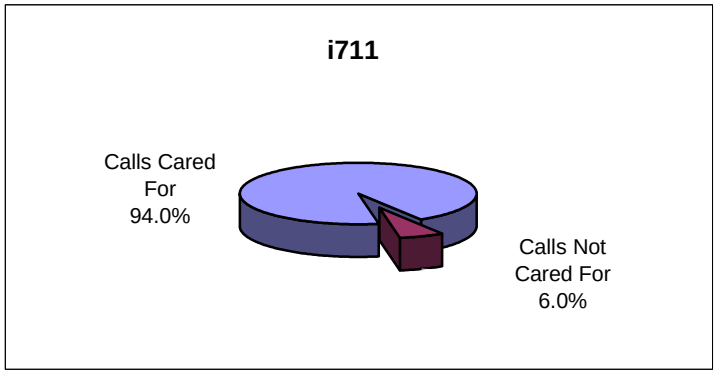


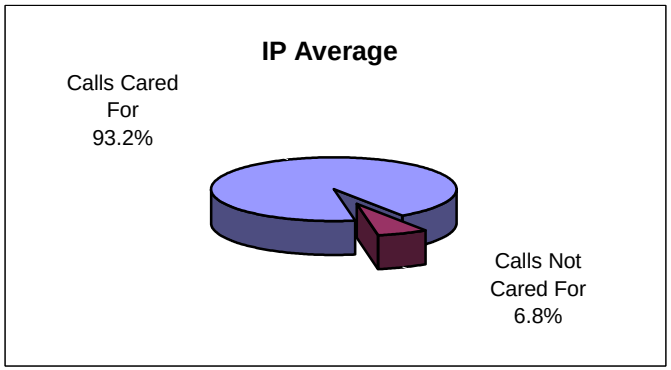
Total Number of Critical Errors	
Company	**Critical Errors**
AT&T	4
Sorenson	16
Hamilton IP	6
Sprint IP	9
i711	24

National Relay Competitive Index

Overall Customer Care SM







	Sprint IP		i711		IP Segment	
	#	%	#	%	#	%
Total Calls Made	150	100%	150	100%	150	100%
Calls Cared For	150	100.0%	141	94.0%	139	93.2%
Calls Not Cared For	0	0.0%	9	6.0%	10	6.8%