

PUBLIC NOTICE

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**ROLKA LOUBE ASSOCIATES SUBMITS PAYMENT FORMULAS AND FUNDING
REQUIREMENT FOR THE INTERSTATE TELECOMMUNICATIONS RELAY SERVICES
FUND FOR THE 2020-2021 FUND YEAR**

CG Docket Nos. 03-123 and 10-51

**CONSUMER AND GOVERNMENTAL AFFAIRS BUREAU SEEKS COMMENT ON SPRINT'S
REQUEST FOR INTERIM IP RELAY WAIVERS AND RATE RELIEF**

CG Docket No. 03-123 and RM-11820

Comments: May 29, 2020

Reply Comments: June 5, 2020

By this Public Notice, the Consumer and Governmental Affairs Bureau (CGB or Bureau) of the Federal Communications Commission (Commission) seeks comment on the Interstate Telecommunications Relay Services (TRS) Fund administrator's proposed provider compensation rates, funding requirement, and carrier contribution factors for the period from July 1, 2020, through June 30, 2021 (2020-21 Fund Year), for TRS compensated by the Interstate TRS Fund (Fund).¹ We also seek comment on a related request filed by Sprint Communications Company L.P. regarding the 2020-21 Fund Year rate for Internet Protocol Relay Service (IP Relay).²

TRS Using MARS Plan Methodology

Rolka Loube Associates LLC (Rolka Loube), the Interstate TRS Fund administrator, proposes per-minute compensation rates for certain forms of TRS that are subject to the Multistate Average Rate

¹ See Rolka Loube Associates LLC, Interstate Telecommunications Relay Services Fund Payment Formula and Fund Size Estimate, CG Docket Nos. 03-123 and 10-51 (filed May 1, 2020) (2020 TRS Rate Filing). See 47 CFR § 64.604(c)(5)(iii)(H). As noted below, we do not seek comment in this Public Notice on compensation for video relay service (VRS) or Internet Protocol Captioned Telephone Service (IP CTS).

² Sprint Communications Company L.P., Request for Interim Waivers and Rate Relief, CG Docket Nos. 03-123 and RM-11820 (filed Apr. 30, 2020), <https://ecfsapi.fcc.gov/file/104301471305551/IP%20Relay%20Rate%20Request%20-%20Final%20Redacted%20-%2004.30.2020.pdf> (Sprint IP Relay Waivers Request).

Structure (MARS) plan methodology,³ as follows: \$3.7526 for interstate traditional TRS;⁴ \$4.8836 for interstate speech-to-speech relay service (STS);⁵ and \$2.3153 for interstate captioned telephone service (CTS).⁶ We seek comment on whether these proposed rates correctly apply the MARS methodology.

IP CTS

In the *2018 IP CTS Reform Order and FNPRM*, the Commission adopted interim compensation rates of \$1.75 per minute for the 2018-19 Fund Year and \$1.58 per minute for the 2019-20 Fund Year, while initiating a rulemaking on setting compensation rates for subsequent years.⁷ The IP CTS cost and revenue data included in the 2020 TRS Rate Filing will be considered by the Commission in that proceeding.⁸

IP Relay

The IP Relay compensation rate is subject to a price-cap-like methodology.⁹ This formula takes a base rate, which is reset every three years, and multiplies it by a factor that reflects an increase due to inflation, offset by a decrease due to efficiencies, and adds exogenous costs.¹⁰ The current compensation rate for IP Relay is \$1.67, and is also the base rate for the current three-year cycle, which ends June 30, 2022.¹¹ This rate includes allowances for the recovery of certain costs incurred for outreach to the deafblind community and outreach to the larger TRS community, pursuant to waivers of the Commission's 2013 ruling disallowing TRS Fund support of provider outreach costs for this service.¹²

For the 2020-21 Fund Year, Rolka Loubé recommends an IP Relay compensation rate of \$1.7146 per minute, which includes an allowance for the recovery of certain costs incurred for outreach to the

³ Under the MARS plan methodology, certain interstate TRS compensation rates are calculated based on a weighted average of the intrastate compensation rates paid by state TRS programs for the same or a similar relay service. *See Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket No. 03-123, Report and Order and Declaratory Ruling, 22 FCC Rcd 20140, 20151-58, paras. 16-37 (2007) (*2007 TRS Rate Methodology Order*).

⁴ 2020 TRS Rate Filing at 12-13. The current compensation rate for interstate traditional TRS is \$3.1107 per minute.

⁵ *Id.* at 13-14. Consistent with the *2007 TRS Rate Methodology Order*, Rolka Loubé's proposed interstate STS rate consists of the interstate traditional TRS rate of \$3.7526 per minute plus an additional per-minute amount of \$1.131 to be used for STS outreach. *See 2007 TRS Rate Methodology Order*, 22 FCC Rcd at 20156, 20165, paras. 34, 57. The current STS compensation rate is \$4.2417 per minute.

⁶ 2020 TRS Rate Filing at 14. The current compensation rate for interstate CTS is \$2.2795 per minute.

⁷ *Misuse of Internet Protocol (IP) Captioned Telephone Service; Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket Nos. 13-24 and 03-123, Report and Order, Declaratory Ruling, Further Notice of Proposed Rulemaking, and Notice of Inquiry, 33 FCC Rcd 5800, 5808-09, para. 16 (2018) (*2018 IP CTS Reform Order and FNPRM*), petitions for reconsideration pending.

⁸ 2020 TRS Rate Filing at 15-16, 23-24, Exhs. 1-3, 1-3.1 (redacted), 1-4.

⁹ *Id.* at 17; *see also 2007 TRS Rate Methodology Order*, 22 FCC Rcd at 20159-60, paras. 43-46.

¹⁰ *2007 TRS Rate Methodology Order*, 22 FCC Rcd at 20160-61, paras. 43-44.

¹¹ *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, Order, 34 FCC Rcd 5171, 5174-76, paras. 8-10 (CGB 2019).

¹² *Id.* at 5178-80, paras. 16-20 (granting waivers); *see also Structure and Practices of the Video Relay Service Program; Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket Nos. 10-51 and 03-123, Report and Order and Further Notice of Proposed Rulemaking, 28 FCC Rcd 8618, 8696, para. 192 (2013) (disallowing TRS Fund support of IP Relay outreach costs).

deafblind community.¹³ Rolka Loube also recommends allowing Sprint a 12.35% operating margin.¹⁴ We seek comment on Rolka Loube's recommendations.

Sprint, the sole provider of IP Relay, has petitioned the Commission to renew the 2019 waivers and grant additional waivers of the Commission's rules to the extent necessary to permit Sprint (1) to be compensated for specified costs incurred for outreach—both to the deafblind community and to others—indirect overhead, and research and development, (2) to receive a reasonable operating margin, and (3) to receive compensation based on Sprint's average projected costs for the years 2020 and 2021.¹⁵ We seek comment on Sprint's requests.

VRS

In the *2017 VRS Compensation Order*, the Commission adopted a tiered rate structure and set the VRS compensation rates for a four-year period, through the 2020-21 Fund Year.¹⁶ Therefore, we do not seek comment on the VRS compensation rate levels for the 2020-21 Fund Year. The rates established by the Commission for the 2020-21 Fund Year for each rate tier are as follows:¹⁷

Tier (by Minutes of Use)	Rate
Emergent (1 st 500,000 monthly minutes) for VRS providers with 500,000 or fewer minutes in a month	\$5.29
Tier I (1 st 1,000,000 monthly minutes) for VRS providers with more than 500,000 minutes in a month	\$4.82
Tier II (1,000,001 to 2,500,000 monthly minutes)	\$3.97
Tier III (monthly minutes exceeding 2,500,000)	\$2.63

Funding Requirement and Contribution Factor

Based on the compensation rates established by the Commission for VRS, an assumed \$1.58 compensation rate for IP CTS,¹⁸ the recommended compensation rates for other services, the projected Fund administration expenses, and the recommended reserve, the 2020 TRS Rate Filing proposes a Fund revenue requirement of \$1,634,678,939 for the period July 1, 2020, through June 30, 2021.¹⁹ For support of non-IP CTS TRS, Rolka Loube calculates a carrier contribution factor of 0.01381, to be applied to contributors' interstate end-user revenues. For support of IP CTS, pursuant to the recent rule modification requiring TRS Fund contributions supporting IP CTS to be based on contributors' interstate

¹³ 2020 TRS Rate Filing at 17-18.

¹⁴ *Id.* at 18.

¹⁵ See Sprint IP Relay Waivers Request.

¹⁶ *Structure and Practices of the Video Relay Service Program; Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket Nos. 10-51 and 03-123, Report and Order and Order, 32 FCC Rcd 5891, 5916-24, paras. 49-64 (2017).

¹⁷ *Id.* at 5922-23, paras. 60-63.

¹⁸ 2020 TRS Rate Filing at 15, Exh. 2.

¹⁹ *Id.* at 25-26, Exh. 2.

and intrastate end-user revenues,²⁰ Rolka Loube calculates a carrier contribution factor of 0.00941.²¹ CGB seeks comment on the proposed funding requirement and carrier contribution factors.

Comment is also invited on Rolka Loube's specific demand projections and funding requirements for the various relay services supported by the Fund.²² Rolka Lobe notes that the demand projections received from TRS providers did not take into account the impact of the COVID-19 pandemic, which caused demand to spike 25% to 33% over projections for the last two weeks of March 2020.²³ Therefore, in estimating demand for the purpose of recommending a revenue requirement and contribution factors, Rolka Loube increased the providers' demand projections through April 2021 by 25%.²⁴ We seek comment on this recommended adjustment of projected demand.

We also seek comment on Rolka Loube's estimates and recommendations for additional funding totaling \$19,251,000, to cover the costs of VRS reform implementation, TRS Numbering Directory administration, the National Deaf-Blind Equipment Distribution Program, Fund administrator compensation, the revenue data collection agent, the Interstate TRS Fund Advisory Council, service provider audits, implementation of Office of Management and Budget Circular A-123, bankruptcy representation, an administrator-recommended independent audit of the Fund, identity verification costs, and other Fund administration costs.²⁵ Finally, we seek comment on Rolka Loube's recommendation, consistent with the practice in the past few years, to continue including a two-month payment reserve, totaling \$270,100,000, in the funding requirement for the coming year.²⁶

Filing Requirements. Interested parties may file comments on the 2020 TRS Rate Filing or the Sprint 2020 Request, or both, on or before the date indicated on the first page of this document.²⁷ All filings must reference CG Docket Nos. 03-123 and 10-51. Filings on the Sprint IP Relay Waivers Request should also reference RM-11820. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).²⁸

- Electronic Filers: Comments may be filed electronically using the Internet by accessing ECFS: <https://www.fcc.gov/ecfs/>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.

²⁰ See *Misuse of Internet Protocol (IP) Captioned Telephone Service; Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket Nos. 13-24 and 03-123, Report and Order, 34 FCC Rcd 11265 (2019).

²¹ 2020 TRS Rate Filing at 25-26, Exh. 2. Rolka Loube may update its recommended Fund requirement and contribution factors based on updated information, e.g., on changes to the TRS Fund contribution base. *Id.* at 10.

²² *Id.* at 22-24 & Exh. 2.

²³ *Id.* at 7-8; see Executive Office of the President, Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak (Mar. 13, 2020), <https://www.whitehouse.gov/presidential-actions/proclamation-declaring-national-emergency-concerning-novel-coronavirus-disease-covid-19-outbreak/>.

²⁴ 2020 TRS Rate Filing at 7-8.

²⁵ *Id.* at 24-25.

²⁶ *Id.* at 25-26, Exh. 2.

²⁷ See 47 CFR §§ 1.1, 1.45, 1.49.

²⁸ *Electronic Filing of Documents in Rulemaking Proceedings*, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

- Filings can be sent by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.
- **Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings at the Commission’s headquarters. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, DA 20-304 (March 19, 2020), <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>.**

Ex Parte Requirements. The proceeding this Notice initiates shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules.²⁹ Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.*, .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

Accessible Materials. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY).

For further information, please contact Michael Scott at (202) 418-1264 or by e-mail at Michael.Scott@fcc.gov, William Wallace at (202) 418-2716 or by e-mail at William.Wallace@fcc.gov, or Eliot Greenwald at (202) 418-2235 or by e-mail at Eliot.Greenwald@fcc.gov.

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²⁹ 47 CFR §§ 1.1200 *et seq.*

