Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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DA 13-369

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REQUEST FOR COMMENT ON PETITION FOR RULEMAKING FILED BY SORENSON COMMUNICATIONS, INC. REGARDING COST RECOVERY METHODOLOGY FOR INTERNET PROTOCOL CAPTIONED TELEPHONE SERVICE CG Docket Nos. 13-24 and 03-123

Comments: March 25, 2013

Reply Comments: April 4, 2013

By this Public Notice, the Consumer and Governmental Affairs Bureau seeks comment on a petition for rulemaking filed by Sorenson Communications, Inc. (Sorenson) and its wholly subsidiary, CaptionCall, LLC on February 20, 2013. In its petition for rulemaking, Sorenson requests that the Commission initiate a rulemaking proceeding to adopt a price cap regulatory approach to determine the rates for the provision of Internet Protocol Captioned Telephone Service (IP CTS). The proposed methodology would replace the current Multistate Average Rate Structure (MARS) rate methodology currently used for determining the IP CTS rate. Comments and reply comments should be filed in accord with the procedures outlined below.

In 2007, the Commission adopted a price cap methodology for Internet Protocol (IP) Relay, which requires that a base rate be set for a three year period, during which time the rate is increased annually by an inflation factor and adjusted downward by a factor that takes into account increased efficiencies.<sup>3</sup> The price cap IP Relay rate is also subject to adjustments based on exogenous costs beyond the control of providers.<sup>4</sup> Sorenson believes that this same approach should be used to determine the rate for IP CTS because a price cap regime would exert downward pressure to lower the IP CTS rate<sup>5</sup> and give providers greater rate stability, incentivizing providers to offer service more efficiently and engage in greater innovation through investments

<sup>&</sup>lt;sup>1</sup> Sorenson Communications, Inc., *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket No. 03-123, Petition for Rulemaking (filed Feb. 20, 2013) (*Sorenson Petition*).

<sup>&</sup>lt;sup>2</sup> The MARS plan is based on a weighted average of the *intrastate* TRS rates paid by the states. *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, ¶ 16 (2007) (2007 TRS Rate Methodology *Order*).

<sup>&</sup>lt;sup>3</sup> 2007 TRS Rate Methodology Order, 22 FCC Rcd at 20161-64, ¶¶ 39-46.

<sup>&</sup>lt;sup>4</sup> 2007 TRS Rate Methodology Order, 22 FCC Rcd at 20163, ¶ 44.

<sup>&</sup>lt;sup>5</sup> Sorenson Petition at 4.

in new technologies.<sup>6</sup> Sorenson requests that the Commission initiate a price cap rate at \$1.6766, which is an average of the 2008, 2009, and 2010 IP CTS rates.<sup>7</sup> Sorenson explains that it has chosen these years because the IP CTS rate experienced greater increases in 2011 and 2012.<sup>8</sup> We seek comment on Sorenson's petition for rulemaking and the petition's underlying proposals.

Pursuant to Sections 1.403 and 1.405 of the Commission's rules, 47 C.F.R. §§ 1.403 and 1.405, interested parties may file comments on or before March 25, 2013, and reply comments on or before April 4, 2013. All filings must reference **CG Docket Nos. 13-24** and **03-123**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings. Comments may be filed electronically using the Internet by accessing the ECFS: <a href="http://fjallfoss.fcc.gov/ecfs2">http://fjallfoss.fcc.gov/ecfs2</a>. Filers should follow the instructions provided on the website for submitting comments. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and **CG Docket Nos. 13-24** and **03-123**.

Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, 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. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.

A copy of this *Notice*, Sorenson's petition and any subsequently filed documents in this matter will be available during regular business hours at the FCC Reference Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, D.C. 20554, (202) 418-0270. This *Notice*, Sorenson's petition and any subsequently filed documents in this matter may also be purchased from the Commission's duplicating contractor at its website, www.bcpiweb.com, or call 1-800-378-3160. A copy of the submission may also be found by searching on ECFS (insert **CG Docket No. 13-24** or **CG Docket No. 03-123** into the Proceeding block).

People with Disabilities: 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

<sup>&</sup>lt;sup>6</sup> Sorenson Petition at 2, 6.

<sup>&</sup>lt;sup>7</sup> Sorenson Petition at 2. Sorenson notes that this would result in an immediate savings of nearly ten cents per minute over the current IP CTS rate. The IP CTS rates for 2008, 2009, and 2010 were \$1.629, \$1.6569, and \$1.6778, respectively.

<sup>&</sup>lt;sup>8</sup> Sorenson Petition at 4. In 2011, the IP CTS rate was \$1.7630, and in 2012, the rate was \$1.7730.

<sup>&</sup>lt;sup>9</sup> Pursuant to 1.3 of the Commission's rules, 47 C.F.R. § 1.3, we waive on our own motion section 1.405 of the rules, which calls for a 30 day comment period followed by a 15 day reply period. 47 C.F.R. § 1.405. We find good cause exists to waive the rule for the purpose of shortening the comment and reply comment periods so that the information and arguments contained in the comments and replies can be considered prior to the adoption of an anticipated additional Notice of Proposed Rulemaking on the matter of IP CTS reform. *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, Order and Notice of Proposed Rulemaking, 28 FCC Rcd 703, 732, ¶ 56 (2013).

and Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY). This document can also be downloaded in Word and Portable Document Format (PDF) at: http://www.fcc.gov/cgb/dro/trs.html.

For further information, please contact Gregory Hlibok, Consumer and Governmental Affairs Bureau (CGB), Disability Rights Office (DRO), at (202) 559-5158 or e-mail at <a href="mailto:Greenwald.cgb">Greenwald.cgb</a>, DRO, at (202) 418-2235 or e-mail at <a href="mailto:Eliot.Greenwald.cgb">Eliot.Greenwald.cgb</a>.

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