

DT 04-213

SPRINT COMMUNICATIONS COMPANY

**Application for Approval of Modifications in its Provision of
Telecommunications Relay Service in New Hampshire**

**Order *Nisi* Approving Modifications to Sprint's Provision of
Telecommunications Relay Service in New Hampshire**

O R D E R N O. 24,492

July 21, 2005

The petitioner, Sprint Communications Company (Sprint), requests that the New Hampshire Public Utilities Commission (Commission) grant its Application for Approval of Modifications in its Provision of New Hampshire Telecommunications Relay Service (TRS). Specifically Sprint requests the Commission authorize Sprint to offer captioned telephone service, known as CapTel, as a feature of its TRS program.

TRS enables people who are deaf, hard of hearing, or speech impaired to communicate effectively with hearing people. Sprint has been providing TRS in New Hampshire since November 1991. Typically users communicate via a text telephone device (TTY), Voice Carry Over (VCO) device, Internet, Video or Captioned Relay services. The Commission authorizes a surcharge on basic exchange rates, currently set at four cents per access line per month to fund the operation of TRS statewide.

According to Sprint, CapTel service is beneficial to those relay users with residual hearing or those who use hearing assistive technologies such as hearing aids, cochlear implants, and other amplifying devices. CapTel will reach new segments of the population that typically do not make use of traditional TRS, including those who are hard of hearing or suffering from progressive hearing loss.

CapTel is an enhanced VCO service that is provided using a specialized telephone with a text display which permits the user to directly dial the person whom they are calling, listen to that person speak, and simultaneously read captions of the conversation. A specialized CapTel telephone has been designed to permit the user to participate in the natural flow of a conversation with captioning support. A Communications Assistant (CA), using special voice recognition technology, produces the captions.

CapTel users place and receive calls in the same manner as a traditional telephone call. The CapTel telephone automatically connects to a CapTel operator. At the CapTel call center, CAs re-voice what is said by the called party to a computer that uses a voice recognition system to generate captions, which then appear on the CapTel user's screen. The CapTel user simultaneously hears the called party on the phone, to the extent the user has hearing capability.

There is no set-up or interaction between the CA and the caller or the called party. CapTel is more like direct communication on the phone for relay users than standard TRS. CapTel is analogous to television with the closed caption feature activated.

Sprint proposes to offer Two-Line CapTel service which operates using two phone lines like Two-Line VCO. One line is utilized for the voice portion of the call and the other line is utilized to transmit the captioning portion of the call. CapTel users will require two standard telephone lines in order to use this service. Both telephone lines are plugged into the CapTel phone. Unlike One-Line CapTel, Two-Line CapTel provides captioning for 911 calls. Calls to 911 are connected directly on the voice line to the Public Safety Answering Point (PSAP) and captions are provided on the second line. This enables the CapTel user to speak directly to a PSAP operator and receive full speed captioning of the PSAP operator's words.

When a CapTel user receives an incoming call on the voice line, the captioning line is automatically connected to the caption call center with captions available shortly after the CapTel phone is answered. The CapTel user has all the benefits of standard telephone service and is able to see captions at any time during the call or turn the captions off.

Sprint will also make One-Line Cap Tel available. However, there are drawbacks to one-line service of which customers should be aware. Emergency calls made by One-Line CapTel users are processed as a VCO-type call and, as such, are not routed through the captioning center and would not be captioned. 911 calls are routed to the PSAP, which is equipped with a TTY. The PSAP communicates with the CapTel caller using a TTY, and the caller communicates using voice service. In addition, incoming calls to an individual using One-Line CapTel will only be captioned when the caller first dials the toll-free captioning center and is then connected to the CapTel user.

Whether one has One- or Two-Line CapTel service, the charge to the user or the called party is the same, merely one's standard toll rate if a toll call and no charge if a local call. Sprint, as the TRS administrator, however, is reimbursed on a per session minute basis for the duration of the call. Standard TRS is priced at \$0.76 per session minute; Sprint proposes to charge \$1.40 per session minute for relaying One- or Two-Line CapTel service. Sprint states that the higher rate is necessary due to the cost of the new technology required to operate the system. Though more costly, Sprint anticipates CapTel will achieve faster call set-up and captioning and should replace many of the calls now on standard TRS which are longer. Though the per session minute rate will be higher, the total cost of the call should be less, if the calls are

significantly shorter in duration. Findings in trial states that have been working with CapTel suggests this will be the case.

Following the implementation of CapTel service, Sprint recommends that the purchase and distribution of CapTel phones, which are not available through retail outlets, be handled through the State's Telecommunications Equipment Assistance Program (TEAP). Sprint avers it would also consider purchasing and distributing CapTel phones to eligible users.

As with standard TRS, the TRS trust fund, to which all authorized LECs in the state contribute, will pay for intrastate session minutes. Interstate session minutes are paid for by the Interstate TRS fund, administered by the National Exchange Carriers' Association (NECA). Since Two-Line CapTel calls are dialed directly between end users, with the user's CapTel phone connecting to the call center. On outbound calls, the Automatic Number Identifier (ANI) is transmitted to Sprint but not on inbound calls. It is therefore not possible for Sprint to determine whether an incoming Two-Line CapTel call is intrastate or interstate; making the separation of session minutes between intrastate and interstate jurisdiction difficult. Sprint anticipates the volume of incoming interstate calls will be less than 2% of the total CapTel traffic, based on the limited number of interstate calls on existing Two-Line VCO service. Accordingly, Sprint proposes to allocate 2% of the incoming Two-Line CapTel traffic to the interstate jurisdiction.¹

¹ On July 19, 2005, the FCC issued an order in FCC 05-141 adopting an allocation methodology for determining the number of inbound two-line captioned telephone minutes that should be compensated from the Interstate TRS Fund. The FCC also instructed NECA to determine an allocation factor for the FCC's review and approval. It is unclear when the FCC will approve an allocation factor. In the interim, we accept Sprint's proposed allocation factor of 2% and instruct Staff to monitor the FCC proceeding.

Staff conducted an analysis of the cost of incorporating the new requirements into the present system and submitted a memorandum in support of the petition on July 14, 2005. Staff believes the additional cost to offer CapTel can be absorbed by the current TRS charge of four cents per access line per month without increasing basic exchange rates, given that the TRS fund continues to operate at a surplus.

Staff raised a concern, however, about the distribution of CapTel phones, necessary for the service. CapTel phones are not available at retail outlets. Sprint recommends that the Governor's Commission on Disability distribute CapTel phones through the TEAP. TEAP is administered through the Governor's Commission on Disability. Funding for the TEAP comes from the TRS trust fund and cannot exceed \$96,000 annually. Currently the Governor's Commission on Disability utilizes the entire allowable amount for the telecommunications equipment assistance program on an annual basis. Therefore, depending on how the Governor's Commission on Disability prioritizes requests, some users who desire CapTel service may not be able to obtain CapTel phones from the Governor's Commission on Disability. Staff proposed that CapTel phones also be distributed through Sprint's Relay NH outreach program for direct purchase by those users who request the service and are unable to obtain the CapTel phones from the Governor's Commission on Disability.

Staff recommended that Sprint's application be approved on the condition that Sprint bill only the increased TRS charge of \$1.40 per session minute for CapTel session minutes while continuing to bill all other session minutes at \$0.76, that Sprint make CapTel phones available for purchase through its Relay NH outreach program as well as distributing them

through the Governor's Commission on Disability, and that Sprint cooperate with the Governor's Commission on Disability to ensure the phones are available to customers in New Hampshire.

The FCC issued a Declaratory Ruling, CC Docket No. 98-67, FCC 03-190, 18 FCC Rcd. 16121 August 2003 that found captioned telephone service to be an enhanced VCO service and an innovative method of providing VCO TRS. Sprint commits to provide CapTel service in accordance with the FCC's Second Report and Order, CC Docket No. 98-67, CG Docket No. 03-12, FCC 03-112 released June 17, 2003.

The Commission's goal is to ensure that all citizens of New Hampshire have functionally equivalent access to telecommunications services. We agree with the FCC that the enhancements discussed above will help meet that goal. The Staff has determined that the costs of these improvements are reasonable and can currently be met without an increase in basic exchange rates. We find these service improvements will assist those consumers who use hearing assistive technologies, and that the addition of captioned telephone service to the NH TRS is in the public interest.

Based upon the foregoing, it is hereby

ORDERED *NISI*, that subject to the conditions specified above and the effective date below, Sprint's Application for Approval of Modifications in its Provision of Telecommunication Relay Service in New Hampshire is Approved; and it is

FURTHER ORDERED, that Sprint's request for an increase in its current reimbursement rate from seventy-six cents (\$0.76) per session minute to \$1.40 per session minute is hereby approved for CapTel session minutes only; and it is

FURTHER ORDERED, that the Petitioner shall cause a copy of this Order *Nisi* to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than August 1, 2005 and to be documented by affidavit filed with this office on or before August 14, 2005; and it is

FURTHER ORDERED, that the Petitioner shall submit a copy of this Order *Nisi* to the Governor's Commission on Disability; and it is

FURTHER ORDERED, that all persons interested in responding to this Order *Nisi* be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than August 8, 2005 for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than August 15, 2005; and it is

FURTHER ORDERED, that this Order *Nisi* shall be effective August 19, 2005, unless the Petitioner fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of July, 2005.

Thomas B. Getz
Chairman

Graham J. Morrison
Commissioner

Michael D. Harrington
Commissioner

Attested by:

Lori A. Normand
Assistant Secretary