Ex Parte
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554


Dear Ms. Dortch:

On July 16, 2015, Scott Sorensen, Chief Financial Officer, and Scott Wood, General Counsel, of Sorenson Communications, Inc., (“Sorenson”) and I of Harris, Wiltshire & Grannis LLP, on behalf of Sorenson, met with Jon Wilkins, Managing Director. We discussed the opportunity for a win-win solution on rates. The providers of VRS have unanimously asked that the Commission freeze rates as of June 30, 2015. Doing so is necessary because the rate reductions since 2010 have already caused deterioration of service, and the further cuts scheduled in the June 2013 VRS Order will result in further deterioration across all providers.

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1 Joint Proposal of All Six VRS Providers for Improving Functional Equivalence and Stabilizing Rates at 1, CG Docket Nos. 10-51 & 03-123 (filed Mar. 30, 2015).

2 E.g., Sorenson Communications, Inc.’s Response to Staff Questions Re: VRS Providers’ Joint Proposal for Improving Functional Equivalence and Stabilizing Rates at 3, CG Docket Nos. 03-123 & 10-51 (filed Apr. 21, 2015); Joint Comments of All Six VRS Providers on Rolka Loube Payment Formulas and Funding Requirements, CG Docket Nos. 03-123 & 10-51 (filed June 11, 2015); Letter from All Six VRS Providers to Marlene H. Dortch, Secretary, FCC, at 2, CG Docket Nos. 10-51 & 03-123 (filed Apr. 30, 2015); see also Letter from Jeff Rosen, General Counsel, Convo Communications, LLC, to Marlene H. Dortch, Secretary, FCC, CG Docket Nos. 10-51 & 03-123 (filed Apr. 20, 2015); ASL Services Holdings, LLC/GlobalVRS’s Response to Staff Questions re VRS Providers’ Joint Proposal for Improving Functional Equivalence and Stabilizing Rates, CG Docket Nos. 10-51 & 03-123 (filed Apr. 21, 2015); Hancock Jahn Lee & Puckett, LLC d/b/a Communication Axess Ability Group (“CAAG”)’s Response to Staff Questions re VRS Providers’ Joint Proposal for Improving Functional Equivalence and Stabilizing Rates, CG Docket Nos. 10-51 & 03-123 (filed Apr. 21, 2015); CSDVRS’s Response to Staff Questions re VRS Providers’ Joint Proposal for Improving Functional Equivalence and Stabilizing Rates, CG Docket Nos. 10-51 & 03-123 (filed Apr. 21, 2015); Purple Communications’ Response to Staff Questions re VRS
On the other hand, for IP CTS, Sorenson has proposed a price cap at $1.67 with a 0.5% annual reduction—21 cents lower than current rates and on a downward trajectory that stands in stark contrast to the repeated rate increases that have occurred over the past several years as IP CTS has eroded the base of CTS minutes of use.3 Taken together, these two actions would halt pressure on VRS providers to continue to make cuts in VRS service and would even create room for further innovation; at the same time, they would halt the growth of IP CTS rates and put those rates on a predictable, downward path. Moreover, because IP CTS continues to grow, this approach will yield even bigger public interest benefits in later years.

We also discussed Sorenson’s post-bankruptcy financing structure. The details of this structure were previously summarized on pages 4 through 6 of my ex parte letter of March 24, 2014, filed in CG Docket No. 10-51, which is incorporated by reference herein.4

Sincerely,

John T. Nakahata  
Counsel to Sorenson Communications, Inc.

cc: Jon Wilkins

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