

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

In the Matter of)	
)	
Telecommunications Relay Services and)	CG Docket No. 03-123
Speech-to-Speech Services for)	
Individuals with Hearing and Speech)	
Disabilities)	
)	
Structure and Practices of the Video Relay)	CG Docket No. 10-51
Service Program)	

Interstate Telecommunications Relay Services Fund

Payment Formula and Fund Size Estimate

Supplemental Filing

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May 1, 2015

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**Payment Formula and Fund Size Estimate
Interstate Telecommunications Relay Services (TRS) Fund
For July 2015 through June 2016**

I. Introduction

The Submission dated April 24, 2015 recommended a contribution factor that was based on the best available contribution base information available at that time. The Data Collection Agent has provided the information regarding the 499A revenue data for calendar year 2014 which does affect the contribution factor recommendation. Rolka Loube Associates LLC (RL), as Interstate Telecommunications Relay Services (TRS) Fund Administrator (the Administrator), herein submits an updated proposed assessment factor of 0.01635 for the period July 2015 through June 2016, in accordance with section

64.604 of the Federal Communications Commission's (FCC or Commission) rules.¹

Please see the UPDATED Exhibits 2, 2-1 and 2-2.

The Administrator projects a total fund cash requirement for Fiscal Year 2015-2016 of \$1,048,050,673.² Calendar year 2014 interstate and international end user revenues estimated by the Data Collection Agent ("DCA") are now available for submission. We recommend that the Commission use current 499A information from the DCA to calculate the Assessment rate. The 2014 reported revenues are \$64,112,423,530. The contribution factor for the 2015-2016 Fund year, derived from the ratio of estimated fund size to prior calendar year revenues, is proposed to be 0.01635, an increase when compared to the initial submission of 0.01607 due entirely to the smaller contribution basis.

The Commission's shared funding mechanism for the TRS Fund ensures that the costs of meeting relay service obligations are borne equitably. Interstate telecommunications common carriers contribute to the TRS Fund on the basis of their relative share of interstate and international end user revenues.³ The TRS funding period commences on July 1 and ends June 30 of the following calendar year. For the July 2015

¹ 47 C.F.R. §64.604 (c)(5)(iii)(H).

² To calculate the VRS portion of the proposed 2015-2016 total fund size, the Administrator used 2014-2015 VRS rates for May and June 2015 and the Commission prescribed rates for the periods July – December 2015 and January – April 2016 in conjunction with demand projections. Although it is not specifically addressed in the Joint Proposal, it is RL's interpretation of the discussion with the Advisory Council that the stabilization would remain in effect for the entire upcoming program year and the alternative Table 2 reflects this understanding.

³ See 47 C.F.R. §64.604(c)(5)(iii)(A)-(C). Every carrier providing interstate telecommunications services (including interconnected VoIP service providers pursuant to §64.601(b)) and every provider of non-interconnected VoIP service shall contribute to the TRS Fund on the basis of interstate end-user revenues as described herein. Contributions shall be made by all carriers who provide interstate services, including, but not limited to, cellular telephone and paging, mobile radio, operator services, personal communications service (PCS), access (including subscriber line charges), alternative access and special access, packet-switched, WATS, 800, 900, message telephone service (MTS), private line, telex, telegraph, video, satellite, intraLATA, international and resale services.

to June 2016 fund year, the Administrator will use the carriers' 2014 interstate and international end user revenues⁴ as the basis for calculating carriers' contribution obligations. The updated report from the Data Collection Agent ("DCA") of Carriers' reported 2013 revenues is \$65.235 billion; approximately \$158 million above the level reported at the beginning of the 2014-2015 Fund year but approximately \$2 billion below the previous year basis. The DCA report of calendar year 2014 revenues is \$64.112 billion; approximately \$1.123 billion below the level estimated in the initial filing. This lower level of reported revenues requires a higher assessment rate to produce the revenue necessary to fund the proposed reimbursement rates and demand estimates.

Year	Base
2004	\$81,954,191,760.72
2005	\$80,666,621,323.77
2006	\$80,457,972,601.73
2007	\$77,898,078,806.14
2008	\$79,428,092,243.17
2009	\$78,895,806,171.06
2010	\$72,844,997,815.67
2011	\$69,450,220,823.19
2012	\$67,206,226,972.74
2013	\$67,278,109,559.79
2014	\$65,234,609,106.58
2015	\$64,112,423,529.73

⁴ Revenues are reported on the Telecommunications Reporting Worksheet, FCC Form 499-A, on April 1, 2015, and provided to the Administrator by the Universal Service Administrative Company (USAC), the Revenue Data Collection Agent (DCA). At the time of preparation of this filing the information from the DCA is considered preliminary and updated data will be used for the calculation of carrier contributions.

Exhibits:

Exhibit 2 UPDATED ---- Displays the proposed Interstate TRS Fund Size and Contribution Factor for the July 2014 through June 2015 Fund Year.

Exhibit 2-1 UPDATED ---Displays the impact of stabilizing VRS rates per the Joint Proposal of the VRS Service Providers

Exhibit 2-2 UPDATED ---- Displays the impact of stabilizing VRS Tier I for the period July 2015 through June 2016.