

STATE OF VERMONT  
PUBLIC SERVICE BOARD

Docket No. 6675

|  |   |                     |
|--|---|---------------------|
| Petition of the Vermont Department of Public Service for approval of a proposed contract to provide Telecommunications Relay Services in Vermont | ) | Hearing at          |
|  | ) | Montpelier, Vermont |
|  | ) | April 23, 2002      |

Order entered: 5/1/2002

PRESENT: Peter M. Bluhm, Hearing Officer

APPEARANCES: Sarah Hofmann, Esq.  
for the Vermont Department of Public Service

Karen R. Sistrunk, Esq.  
for Sprint Communications Company, L.P.

**I. INTRODUCTION**

On April 3, 2002, the Vermont Department of Public Service ("Department") filed a petition with the Vermont Public Service Board (the "Board") to open a docket for the purpose of reviewing and approving a proposed contract between the Department and Sprint Communications Company, L.P. ("Sprint") for the provision of Vermont Telecommunications Relay Service ("VTRS"). Deena Frankel, a witness for the Department, submitted testimony to the Board in support of the contract on April 3, 2002. A technical hearing in this docket was held on April 23, 2002. There were no contested issues among the parties.

Based on the above, I hereby report the following findings to the Board in accordance with 30 V.S.A. § 8.

**II. FINDINGS OF FACT**

1. The present contract to provide the Vermont Telecommunications Relay Service will expire at midnight on June 30, 2002. Frankel prefiled testimony, 4/3/02 at 3.

2. Vermont law directs the Department to issue a request for proposal seeking competitive bids from qualified vendors to provide telecommunications relay services. The Department is then to file its recommendation as to the provider and any proposed contract with the Board for review and approval. 30 V.S.A. § 218a.

3. In the fall of 2001, the Department conducted public forums in Burlington, Brattleboro and Bennington to gather consumer feedback concerning opinions about the existing relay service and preferences for the service in the future. The Department also solicited advice from the VTRS Advisory Council on the same questions, which was considered in drafting a Request for Proposals ("RFP") for the coming contract period. Frankel prefiled testimony, 4/3/02 at 7.

4. Pursuant to paragraph (b) of 30 V.S.A. § 218a, the Department issued an RFP on December 15, 2001, to provide telecommunications relay service in Vermont for the period July 1, 2002, through June 30, 2004, with an option for two additional years through June 30, 2006. Simultaneously, and for the same time period, an RFP for VTRS outreach services was issued. Subsequently on January 9, 2002, the Department issued an addendum to the VTRS RFP providing answers to vendor questions and other clarifications. Proposals were due January 28, 2002. Frankel prefiled testimony, 4/3/02 at 3 and 7; Exhibit DPS-DLF-2.

5. The RFP was sent to a total of five potential vendors. Four were companies that provide relay services in other states. The fifth company had requested the RFP. Availability of the RFP was also announced on the State of Vermont Bidding Opportunities web site, and the RFP itself, as well as the addendum, were downloadable from the Department website. The bidding process was conducted in strict conformance with the State of Vermont Bulletin 3.5 governing contracting procedures. The Department received three proposals by the January 28, 2002, due date. The proposals were submitted by AT&T, Hamilton, and Sprint. Frankel prefiled testimony, 4/3/02 at 7-8.

6. A Department staff committee reviewed the proposals on February 8, 2002. The committee identified significant strengths in both the Hamilton and Sprint proposals, and decided to defer its recommendation until after meeting with the consumer advisors. Department

staff then met on February 11, 2002, with two members<sup>1</sup> of the VTRS Advisory Council who had been appointed by the council to serve as a selection advisory committee. The February 11, 2002, session concluded with a unanimous recommendation to award Sprint the contract for the upcoming contract period. This recommendation was subsequently accepted by the Commissioner of the Vermont Department of Public Service, Christine Salembier. Frankel prefiled testimony, 4/3/02 at 8.

7. The selection of Sprint was on the basis of cost, features offered, quality of service, and the ways in which these factors serve the interests of the deaf, hearing impaired and speech impaired community. Frankel prefiled testimony, 4/3/02 at 8-10.

8. The following summarizes the reasons for the selection of Sprint.

Price: VTRS services are billed to the state on a "completed minute" basis for intrastate calls, meaning that the state pays only for the time the caller is actually connected to the called party. The RFP asked bidders to provide per-minute prices for eight escalating levels of monthly call volume. Sprint offered a fixed price per minute at all levels that was the low bid among the three.

Vendors were invited to propose optional services and indicate their additional cost. Sprint proposed an outreach component that offers significant value to the state in meeting the VTRS outreach obligations. With this optional component included, the per-minute price falls between the other two bids.

Other factors: Reviewers recognized that all three companies have the technical capability to provide a relay service that complies with Federal Communications Commission ("FCC") requirements. Key factors that distinguished Sprint's proposal are enumerated below.

*Preference of Vermont consumers:* Sprint has a good reputation among

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1. The two members are René Pellerin (vice chair) and Jody Casey. In addition to being professionals in the field of rehabilitation, Mr. Pellerin is deaf and Ms. Casey is hard-of-hearing, so they bring a consumer and professional perspective to their roles as advisors.

relay users, as reflected in the preferences for Sprint expressed at community forums. Relay users expressing a preference for Sprint have used its services themselves while visiting other states or via national access numbers, and have had contact with friends and family in states served by Sprint. This user community preference was among the most significant factors in choosing Sprint.

*Disability representation:* Based on the proposal, interaction with the company, and consumer experiences with the company in other states, it appears that Sprint maintains a strong commitment to employing persons with disabilities in management positions.

*Live answering:* Sprint offers live answering and a greatly reduced reliance on voice response units and automation in call handling. The company identifies this as a strength of its relay service. Call handling data show that the advantages of live answering can be gained without any harm to call processing time. Moreover, by answering live, Sprint's compliance with FCC speed-of-answer measures seem more meaningful because Sprint's data measure the time the phone rings at the relay center until the Communications Assistant ("CA") answers, rather than the time the caller enters the number he or she is calling to the time the CA comes on the line. Sprint also promises live, 24-hour customer service.

*French-to-French relay and French translation; Spanish translation:* French-to-French relay was an optional service in the RFP due to the proximity to French-speaking Quebec. Unlike the other proposals, Sprint not only offered this service, but also offers French translation and Spanish translation (in addition to the federally required Spanish-to-Spanish relay) within the offered price.

*Platform upgrade:* The company is currently conducting a major platform upgrade which it indicates will be completed in 2003.

9. The proposed contract with Sprint includes an optional full-time, in-state contract manager who will engage in outreach activities aimed at VTRS users and potential users, as well as carrying out other contract management duties. The presence of the contract manager ensures direct, two-way communication between provider and consumers, whereby the provider learns quickly of system problems and users learn how to use the relay more effectively, particularly when new features are introduced. Frankel prefiled testimony, 4/3/02 at 10.

10. All reviewers of the proposals agreed that the face-to-face, community-level aspects of outreach, as distinguished from mass media components, are most effective when carried out by a representative of the VTRS vendor. Sprint's proposal proposes to have an in-state contract manager engaged in outreach activities. Frankel prefiled testimony, 4/3/02 at 11.

11. The Department elected not to negotiate a contract with any of the vendors who submitted proposals in response to the VTRS Outreach RFP issued simultaneously with the relay RFP. The Department made this decision because the scope of the RFP included elements that would be provided by Sprint if the Board approves a contract with the in-state account manager option. There remain, however, a number of outreach responsibilities, specifically those dealing with advertising and other media relations, that can best be carried out by an in-state firm specializing in marketing communication. Therefore, the Department intends to issue a new RFP, more tightly focused on these outreach components, following Board approval of the proposed contract. Frankel prefiled testimony, 4/3/02 at 11.

12. The VTRS portion of the Universal Service Fund surcharge will drop slightly because the contract has a lower cost than the current service. This will be taken into consideration in establishing the surcharge for FY-2003. Frankel prefiled testimony, 4/3/02 at 12.

### **III. CONCLUSION AND RECOMMENDATION**

30 V.S.A. § 218a(c) states that the Board "after notice and opportunity for hearing, may approve the proposed contract, or a modified version thereof, if it is just and reasonable, giving due consideration to costs, quality of service and the interests of the deaf, hearing impaired and

speech impaired community." After reviewing the evidence and the proposed contract with Sprint to provide telecommunications relay service, I find that the proposed contract is just and reasonable given due consideration to costs, quality of service and the interests of the deaf, hearing impaired and speech impaired community. I recommend that the Board approve the proposed contract without modification.

The foregoing is hereby reported to the Public Service Board in accordance with the provision of 30 V.S.A. §8. All parties have waived opportunity for comment on a proposed decision, pursuant to 3 V.S.A. § 811.

Dated at Montpelier, Vermont this 1<sup>st</sup> day of May, 2002.

s/Peter Bluhm  
Peter M. Bluhm, Hearing Officer

**IV. ORDER**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. The findings and recommendations of the Hearing Officer are adopted.
2. The proposed contract between the Vermont Department of Public Service and Sprint Communications Company, L.P., to provide Vermont Telecommunications Relay Service is just and reasonable. The Board approves the contract without modification as presented to the Board as Exhibit DPS-DLF-2, for the time period encompassed by the contract, namely July 1, 2002, through June 30, 2004, with an option for an additional two years through June 30, 2006.

Dated at Montpelier, Vermont this 1<sup>st</sup> day of May, 2002.

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| s/Michael H. Dworkin | ) |                |
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|                      | ) |                |
| s/David C. Coen      | ) | PUBLIC SERVICE |
|                      | ) |                |
|                      | ) |                |
| s/John D. Burke      | ) | BOARD          |
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|                      | ) | OF VERMONT     |

OFFICE OF THE CLERK

FILED: May 1, 2002

ATTEST: s/Susan M. Hudson  
Clerk of the Board

*Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)*

*Appeal of this decision to the Supreme court of Vermont must be filed with the Clerk of the Board within 30 days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.*