

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**September 23, 2015**

**IN RE:**

**JOINT PETITION FOR EXPEDITED  
APPROVAL OF ASSIGNMENT OF AT&T'S  
CONTRACT TO PROVIDE TENNESSEE RELAY  
SERVICES TO SPRINT**

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**DOCKET NO.  
15-00027**

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**ORDER APPROVING AMENDMENT AND ASSIGNMENT OF  
TENNESSEE RELAY SERVICES CONTRACT**

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This matter came before Vice Chairman David F. Jones, Director Kenneth C. Hill and Director Robin Bennett of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on March 9, 2015, to consider the *Joint Petition for Expedited Approval of Assignment of AT&T's Contract to Provide Tennessee Relay Services to Sprint* ("Joint Petition") filed by AT&T Corp. and its certificated affiliates ("AT&T") and Sprint Communications Company L.P. ("Sprint") (together, the "Parties") on February 24, 2015.

**BACKGROUND**

The TRA is the governmental entity certified by the Federal Communications Commission for developing and implementing telecommunications relay service ("TRS") on behalf of the State of Tennessee, in accordance with 47 C.F.R. § 64.604. The TRA is certified through July 26, 2018.

AT&T entered into a contract with the TRA on March 12, 2012 to provide telecommunications relay service in Tennessee for individuals with hearing or speech disabilities through March 24, 2017 ("TRS Contract"). Under the terms of the TRS Contract, AT&T provides TTY-based relay service and Speech-to-Speech relay service through its own call centers located within the United States.

On November 13, 2014, AT&T filed a Petition requesting expedited approval of an Amendment to the TRS Contract to subcontract Spanish language relay service through July 1, 2015 to Hamilton Relay, Inc. The Authority approved the subcontract at a regularly scheduled Authority Conference held on December 1, 2014, subject to approval by the Comptroller and Commissioner of Finance and Administration.<sup>1</sup> The necessary approvals from those state officials subsequently were received.

Modification or amendment of the TRS Contract is governed by Section D.2 and Section D.5 thereof, which provide as follows:

D.2. Modification and Amendment. This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending on the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining prior written approval of the State.

Thus, Section D.2 of the TRS Contract allows the contract to be modified by written amendment signed by all parties and any officials required to approve it under Tennessee statutes and regulations.<sup>2</sup> Section D.5 of the TRS Contract also provides for assignment of the contract upon prior written approval of the State.

On February 24, 2015, the Parties filed the *Joint Petition*, requesting expedited consideration of the assignment of AT&T's TRS contract to Sprint no later than April 1, 2015. The Parties also proposed certain minor wording changes to the current TRS contract, which must be approved by the Authority. These minor amendments include changing the name and contact information in the

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<sup>1</sup> See *In re: AT&T's Petition for Expedited Approval of Amendment to Contract to Provide Tennessee Relay Services*, Docket No. 14-00132, *Order Approving Amendment to Tennessee Relay Services Contract* (January 12, 2015).

<sup>2</sup> The Commissioner of Finance and Administration and the Comptroller of the Treasury approved the TRS Contract and therefore must approve the Amendment.

contract from AT&T to Sprint; allowing outreach to be subcontracted; eliminating references to the original request for proposal, since Sprint was not part of that process; and limiting Sprint's liability to two and one half times damages, consistent with Tennessee law.<sup>3</sup>

According to the *Joint Petition*, Sprint is the nation's largest and most experienced TRS provider, and is currently the provider for 31 states, Puerto Rico, the U.S. Virgin Islands, the Federal Government and New Zealand. Sprint formerly provided CapTel relay services in Tennessee.<sup>4</sup> Sprint is also certified to provide interexchange and competitive local exchange services in Tennessee.<sup>5</sup>

According to the Parties, the TRA will be kept whole because Sprint will assume the TRS Contract under the current AT&T rates for the contract term.<sup>6</sup> Sprint, as assignee, will fully comply with all terms and conditions of the TRS contract.<sup>7</sup> Further, no party will be injured or disadvantaged by the modification and assignment of the contract.<sup>8</sup>

#### **FINDINGS AND CONCLUSIONS**

At the regularly scheduled Authority Conference held on March 9, 2015, the panel considered the *Joint Petition*. The panel found that Sprint is a certificated entity in Tennessee and is a qualified provider of TRS service. In addition, the panel determined that no party will be injured or disadvantaged by the modification and assignment of the TRS Contract. Therefore, the panel found that granting the *Joint Petition* is in the public interest.

The panel then voted unanimously to approve the *Joint Petition*, with the following additional wording changes to the TRS Contract: 1) the contact information for the TRA in Section E.2 will be updated; 2) the designated Fund Administrator in Section C.1 will be specified to be the

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<sup>3</sup> The proposed wording changes are set forth in Exhibit 1 to the *Joint Petition*.

<sup>4</sup> *Joint Petition*, p. 3 (February 24, 2015).

<sup>5</sup> See *In re: Application of Sprint Communications Company L.P. for a CCN to Provide Intrastate Telecommunications Services*, Docket No. 96-01153, *Order* (October 3, 1996).

<sup>6</sup> *Joint Petition*, p. 2 (February 24, 2015).

<sup>7</sup> *Id.* at 3.

<sup>8</sup> *Id.* at 8.

TRA; and 3) the code section cited in Section D.13 will be corrected. The panel further authorized TRA Staff to work with the Parties to include these changes or any other modifications to the TRS Contract necessary for the transition. Finally, the panel noted that the amendments and assignment of the TRS Contract will be effective only upon receipt of the necessary approvals by the appropriate state officials, including the Commissioner of Finance and Administration and the Comptroller of the Treasury, as required by Section D.2 of the current TRS Contract.

**IT IS THEREFORE ORDERED THAT:**

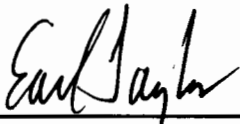
1. The *Joint Petition for Expedited Approval of Assignment of AT&T's Contract to Provide Tennessee Relay Services to Sprint* is approved, with the additional wording changes to the TRS Contract required by the Authority, as outlined above.

2. TRA Staff is authorized and directed to work with the Parties to include the wording changes outlined above or other modifications to the TRS Contract necessary for the transition.

3. The amendments thereto and assignment of the TRS Contract will be effective only upon the necessary approvals by the appropriate state officials, including the Commissioner of Finance and Administration and the Comptroller of the Treasury, as required by Section D.2 of the TRS Contract.

**Vice Chairman David F. Jones, Director Kenneth C. Hill and Director Robin Bennett concur.**

**ATTEST:**



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**Earl R. Taylor, Executive Director**