



## Telecom Decision CRTC 2016-472

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Ottawa, 2 December 2016

*File number: 8695-C209-201607996*

### **Canadian Administrator of VRS (CAV), Inc. – Application requesting video relay service funding for 2017**

*The Commission **approves** the application submitted by the Canadian Administrator of VRS (CAV), Inc. (CAV) for \$26,086,098 in funding from the National Contribution Fund (NCF) for 2017. This amount is to be disbursed by the NCF to the CAV in 12 equal monthly instalments, beginning in January 2017. Access to this funding will enable the CAV to continue to offer video relay service in Canada to the benefit of all Canadians, as envisioned by the Commission in Telecom Regulatory Policy 2014-187.*

#### **Background**

1. Video relay service (VRS) enables people who use sign language to conduct telephone calls and communicate with voice telephone users using sign language. VRS connects a sign language user with another party via an operator who can interpret between sign language and spoken language.
2. In Telecom Regulatory Policy 2014-187, the Commission
  - determined that VRS must be offered in Canada;
  - established a \$30 million funding cap to cover all administrative and service-related costs for VRS;<sup>1</sup>
  - decided that VRS would be overseen and implemented by an independent VRS administrator; and
  - set out the minimum requirements that the VRS administrator must meet in order for funds to be released from the National Contribution Fund (NCF) for VRS.
3. Then, in Telecom Regulatory Policy 2014-659, the Commission approved the structure and mandate of the VRS administrator, known as the Canadian Administrator of VRS (CAV), Inc. (CAV). In particular, the Commission approved the CAV funding process, whereby an annual budget would be approved by the

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<sup>1</sup> As noted in paragraph 75 of Telecom Regulatory Policy 2014-187, the Commission indicated that it could take several years for VRS to become operational, and that until the service is in operation, the required funding would primarily be for administrative purposes.

Commission before expenditures are incurred,<sup>2</sup> and amounts would be disbursed in equal monthly instalments from the NCF.<sup>3</sup>

## **Application**

4. The Commission received an application from the CAV, dated 29 July 2016, requesting that the Commission approve its proposal to seek \$26,086,098 in funding from the NCF for 2017. The amount represents projected expenditures of \$25,419,405 for 2017, and a projected deficit of \$666,693 for 2016. A breakdown of the costs by expense category is set out in the Appendix to this decision.<sup>4</sup>
5. The Commission received one intervention regarding the CAV's application from an individual consumer. The public record of the proceeding, which closed on 6 September 2016, is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) or by using the file number provided above.

## **Commission's analysis and determinations**

6. Having reviewed the details of the CAV's application, including its planned VRS-related activities for the upcoming year, the Commission finds the amount of funding requested for 2017 to be reasonable. As such, the Commission **approves** the CAV's application seeking \$26,086,098 in funding from the NCF for expenditures expected to be incurred in 2017 and to cover the projected deficit for 2016. Accordingly, the Commission **directs** the Central Fund Administrator of the NCF to remit the approved amount of \$26,086,098 to the CAV in 12 equal monthly instalments starting in January 2017.

Secretary General

## **Related documents**

- *Structure and mandate of the video relay service administrator*, Telecom Regulatory Policy CRTC 2014-659, 18 December 2014
- *Video relay service*, Telecom Regulatory Policy CRTC 2014-187, 22 April 2014

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<sup>2</sup> The CAV must submit its projected annual budget to the Commission by 31 July each year for approval.

<sup>3</sup> See paragraph 47 of Telecom Regulatory Policy 2014-659.

<sup>4</sup> Some information was provided to the Commission in confidence.

## Appendix to Telecom Decision CRTC 2016-472

### CAV's budget for 2017

<b>Expense category</b>	<b>Estimated expenditures</b>
Board Expenses	\$150,450
Administration	\$375,419
Marketing – Education and Outreach	\$308,000
Professional Services	\$790,498
Operations	\$19,703,898
Operations Contingency	\$3,487,416
Wages	\$603,725
<b>Total expenditures for 2017</b>	<b>\$25,419,405<sup>5</sup></b>
<b>Projected deficit from 2016</b>	<b>\$666,693</b>
<b>Total new request for 2017 funding</b>	<b>\$26,086,098</b>

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<sup>5</sup> The CAV indicated that totals may not add exactly due to rounding.