

REDACTED FOR
PUBLIC INSPECTION

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

WASHINGTON HARBOUR, SUITE 400

3050 K STREET, NW

WASHINGTON, D.C. 20007-5108

(202) 342-8400

NEW YORK, NY
TYSONS CORNER, VA
CHICAGO, IL
STAMFORD, CT
PARSIPPANY, NJ

BRUSSELS, BELGIUM

AFFILIATE OFFICES
JAKARTA, INDONESIA
MUMBAI, INDIA

FACSIMILE

(202) 342-8451

www.kelleydrye.com

DIRECT LINE: (202) 342-8518

EMAIL: tcohen@kelleydrye.com

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July 14, 2016

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

VIA ECFS

Re: XO Holdings Initial Response to Information and Document Request
dated June 22, 2016; WC Docket No. 16-70

Dear Ms. Dortch:

The enclosed letter and index respond, in part, to the Information and Document Request issued by the Federal Communications Commission ("FCC" or "Commission") on June 22, 2016 to XO Holdings ("XO") and Verizon Communications Inc. in connection with the Commission's investigation of the proposed acquisition of XO Communications, LLC by Verizon Communications Inc.

In accordance with the Protective Order (DA 15-567) in this proceeding, this filing consists of a redacted copy of XO's submission to the Commission.

Copies of the Highly Confidential version of the filing, including accompanying documents, are being submitted to the Secretary's Office and Commission staff via hand delivery under separate cover.

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Should you have any questions, please contact the undersigned.

Sincerely,



Thomas W. Cohen
Edward A. Yorkgitis, Jr.
Kelley Drye & Warren LLP
3050 K Street, NW, Suite 400
Washington, DC 20007
Tel. (202) 342-8540
Fax. (202) 342-8451

Enclosures

cc: Michael Ray and Zachary Ross (via e-mail)

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MUMBAI, INDIA

FACSIMILE

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www.kelleydrye.com

THOMAS W. COHEN

DIRECT LINE: (202) 342-8518

EMAIL: tcohen@kelleydrye.com

July 14, 2016

**CONFIDENTIAL AND HIGHLY CONFIDENTIAL INFORMATION –
SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NO. 16-70
BEFORE THE FEDERAL COMMUNICATIONS COMMISSION**

VIA HAND DELIVERY

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

Re: XO Holdings Second Response to Information and Document Request dated June 22, 2016; WC Docket No. 16-70

Dear Ms. Dortch:

This letter, the enclosed documents labeled XO-FCC00000812 through XO-FCC00001047, and the enclosed index respond, in part, to the Information and Document Request issued by the Federal Communications Commission (“FCC” or “Commission”) on June 22, 2016 to XO Holdings (“XO”) and Verizon Communications Inc. in connection with the Commission’s investigation of the proposed acquisition of XO Communications, LLC by Verizon Communications Inc. (hereafter, the “Request”). This Response supplements XO’s Initial Response which was served on July 7, 2016.

Specifically, this Response, made solely on behalf of XO, includes responses to Requests 2, 7, 8, 9 and 12. The Response is XO’s submission of documents and information in response to the Request, and additional documents and information will be provided on a rolling basis. XO will submit signed certificates of compliance upon completion of its response.

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SPECIFIC RESPONSES TO REQUESTS

GENERAL

REQUEST NO. 2:

For each Relevant Service listed in response to information request 1 above, for each year from 2014 to the present, and for each service area, state:

- a. Each Applicant's sales to all customers in the aggregate, separately for (i) enterprise customers and (ii) carrier customers;*
- b. The name, address, telephone number, and contact Person for each Applicant's 20 largest customers by total revenues; and*
- c. The name and address of each of the Applicants' competitors.*

XO RESPONSE: XO has attached information responsive to this request, as it relates to XO, as highly confidential Exhibit A to this response. Exhibit A was prepared by James Anderson.

REQUEST NO. 7:

Submit all documents relating to competition in the provision of each Specified Service, including, but not limited to, market studies, forecasts and surveys, and all other documents relating to:

- a. The sales, market share, or competitive position of the Applicant or any of its competitors;*
- b. The relative strength or weakness of companies providing each Specified Service;*
- c. Supply and demand conditions;*
- d. Sales negotiations and attempts by the Applicant to respond to competition;*
- e. The Applicant's analysis of, or response to, actual or potential competition or entry in each Relevant Service; and*

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f. Any actual or potential effect on the supply, demand, cost, or price of any Specified Service as a result of competition from any other possible substitute service.

XO RESPONSE: Following its further investigation, XO supplements its response to 7(e) as follows by providing internal documents evaluating competitors' offerings and reports prepared by business consultants. These documents are labeled XO-FCC00000813 through XO-FCC00000853.

REQUEST NO. 8:

Submit all documents created or received by the company that relate to each Applicant's transaction prices, price lists, pricing plans, pricing policies, pricing forecasts, pricing strategies, pricing analyses, and pricing decisions relating to any Specified Service.

XO RESPONSE: XO herein is submitting responsive information in the narrative below and in the attached documents about its pricing practices relating to Specified Services. For purposes of this response, XO uses the terms "Transport" and "Transit" Services for its Specified Services.

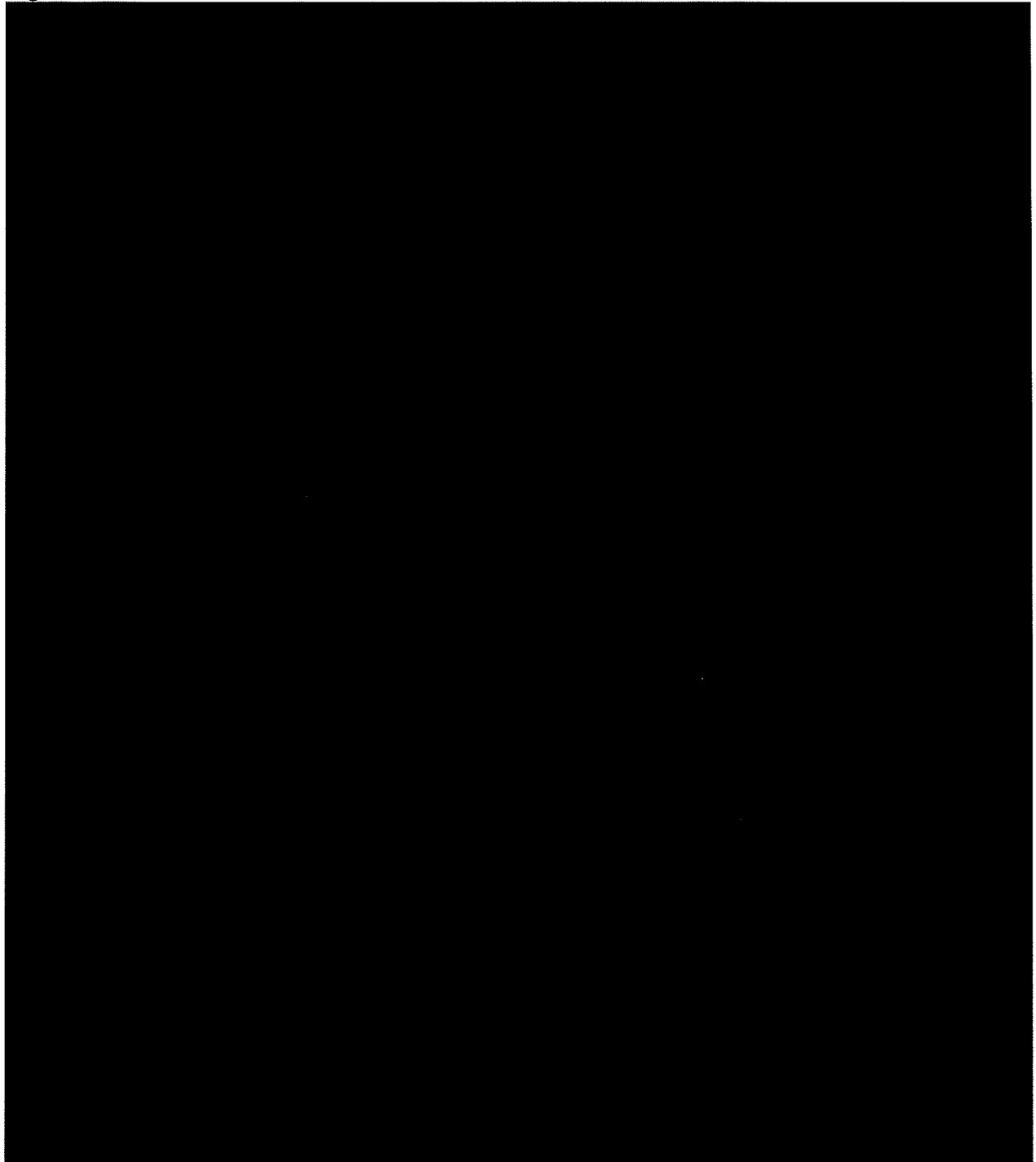
[BEGIN CONFIDENTIAL]



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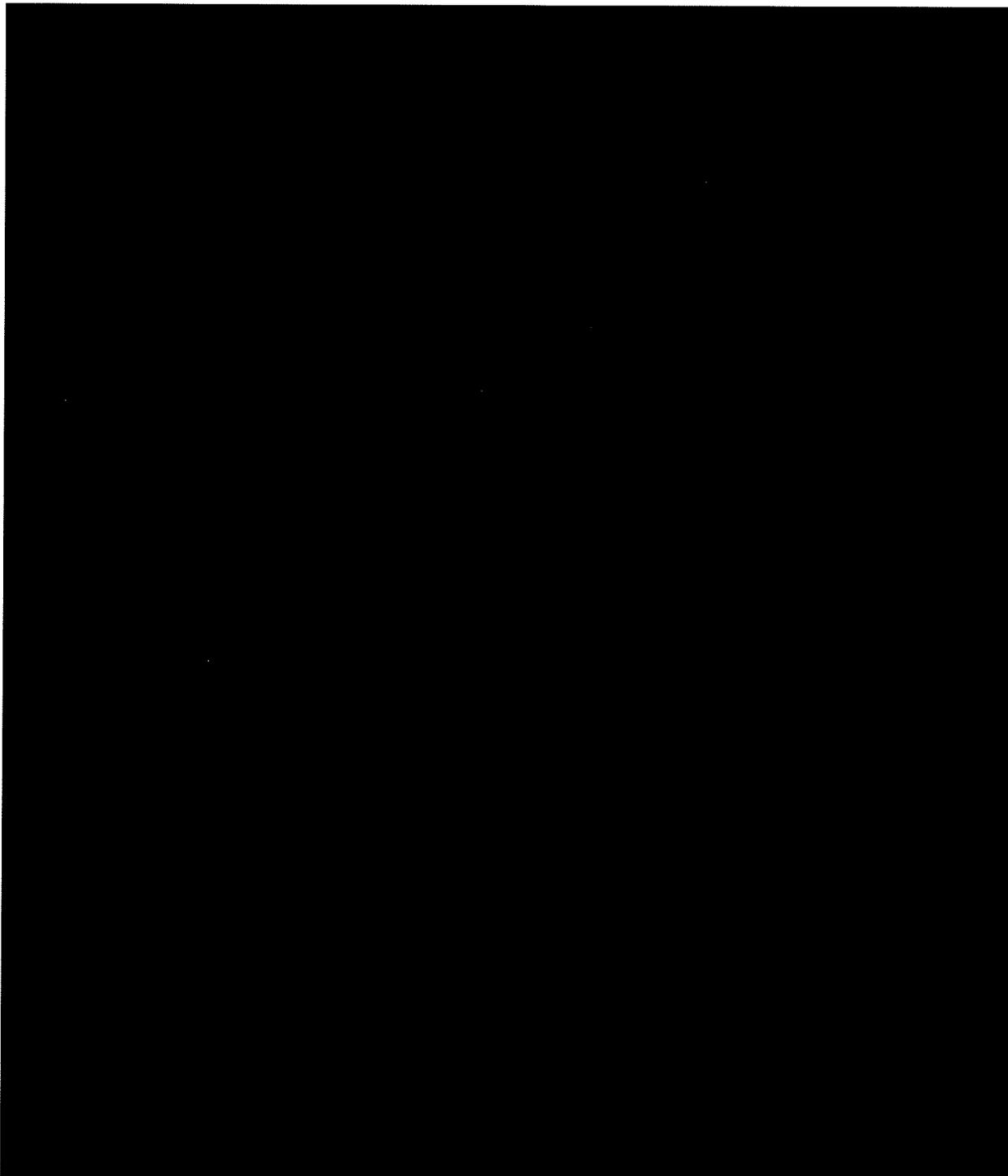
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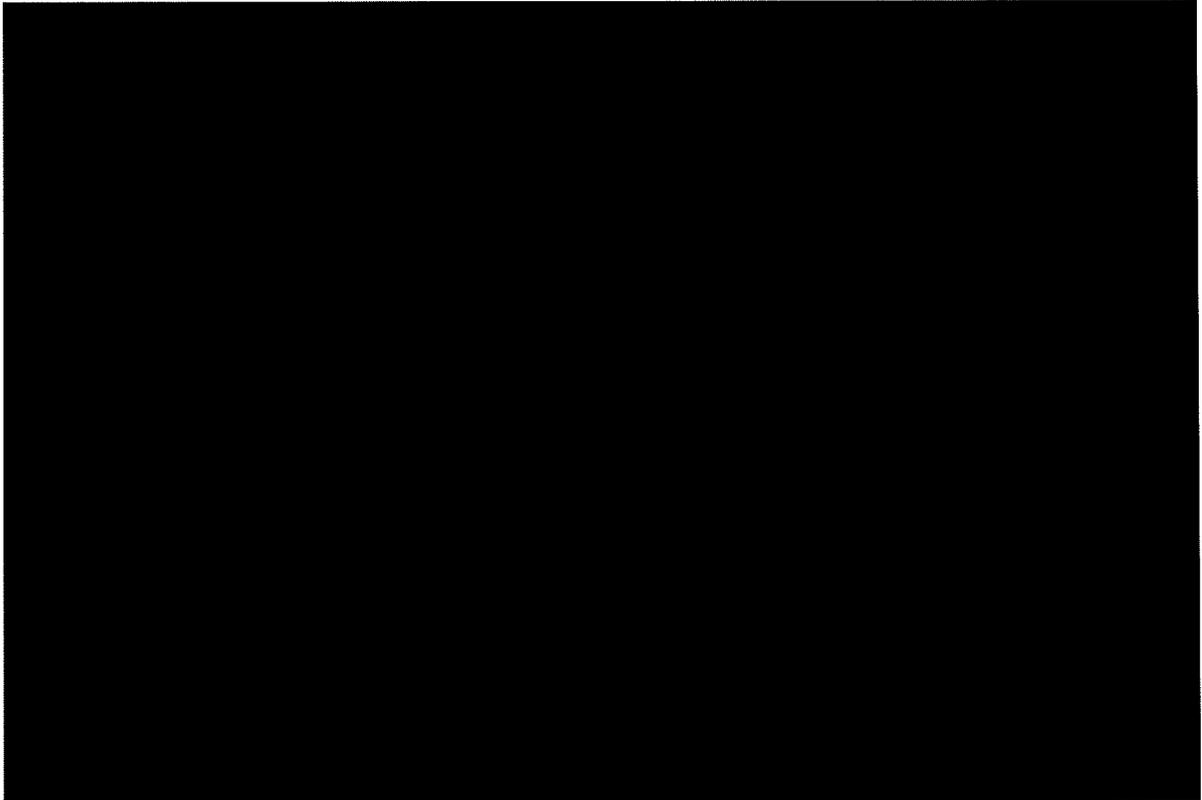
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[END CONFIDENTIAL]

XO is producing concurrently a spreadsheet labeled XO-FCC00000857 and documents labeled XO-FCC00000812 and XO-FCC00000854 through XO-FCC00000856 that contain additional information responsive to this request as it relates to XO. The documents labeled XO-FCC00000498 through XO-FCC00000499 included with XO's July 7, 2016 response also contain information that is responsive to this request as it relates to XO.

REQUEST NO. 9:

To the extent not otherwise being provided, provide all documents created by or for the Applicants (either internally or by outside advisors) for the purpose of analyzing the effects of this Transaction with respect to: competition, diversity, consumer welfare, technology, cost savings, efficiencies, synergies, benefits, and profitability.

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XO RESPONSE: XO is producing a schedule of the documents it provided to the DOJ in connection with its HSR filing. These documents were produced in response to Request 3 in XO's Initial Submission. XO has also produced documents to the DOJ in connection with the DOJ's voluntary request, and copies of those documents are being produced as XO-FCC00000858 through XO-FCC00001046.

REQUEST NO. 12:

For each Applicant's 25 largest Transit Service customers by traffic volume, provide in an Excel spreadsheet, for each quarter since January 1, 2014:

- a. The Interconnection Partner;*
- b. Usage, measured using the industry standard 95th percentile method, or the amount of capacity if sold on a capacity (port) basis;*
- c. The price charged for the Internet Transit Service; and*
- d. The Quarterly revenues earned for each Transit Service separately charged to the Transit Service customers.*

For each Transit Service customer that is invoiced for a combination of services, report in separate columns the revenues earned for each service (e.g., Transit Service, Paid Peering) and provide an explanation for how the total invoiced amount is allocated across the services.

XO RESPONSE: XO is producing concurrently a spreadsheet labeled XO-FCC00001047 that contains information responsive to this request as it relates to XO.

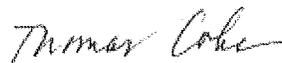
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Please do not hesitate to contact me if you have any questions regarding XO's Second Response.

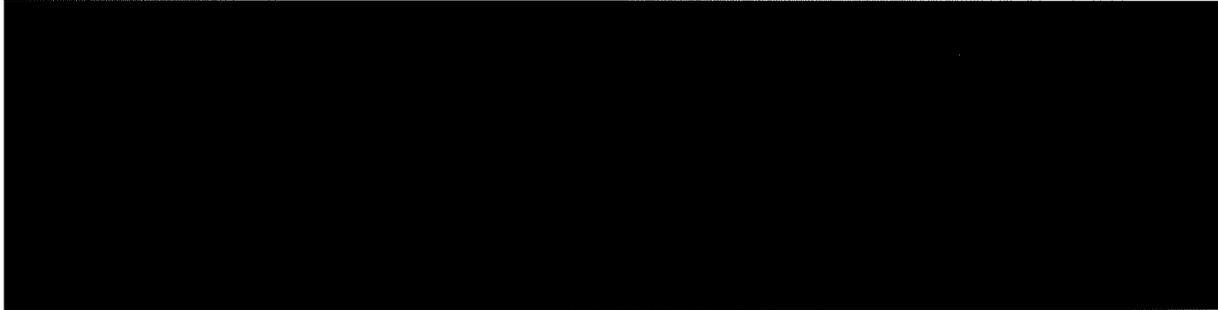
Sincerely,



Thomas W. Cohen

Enclosures
cc: Michael Ray and Zachary Ross (via e-mail)

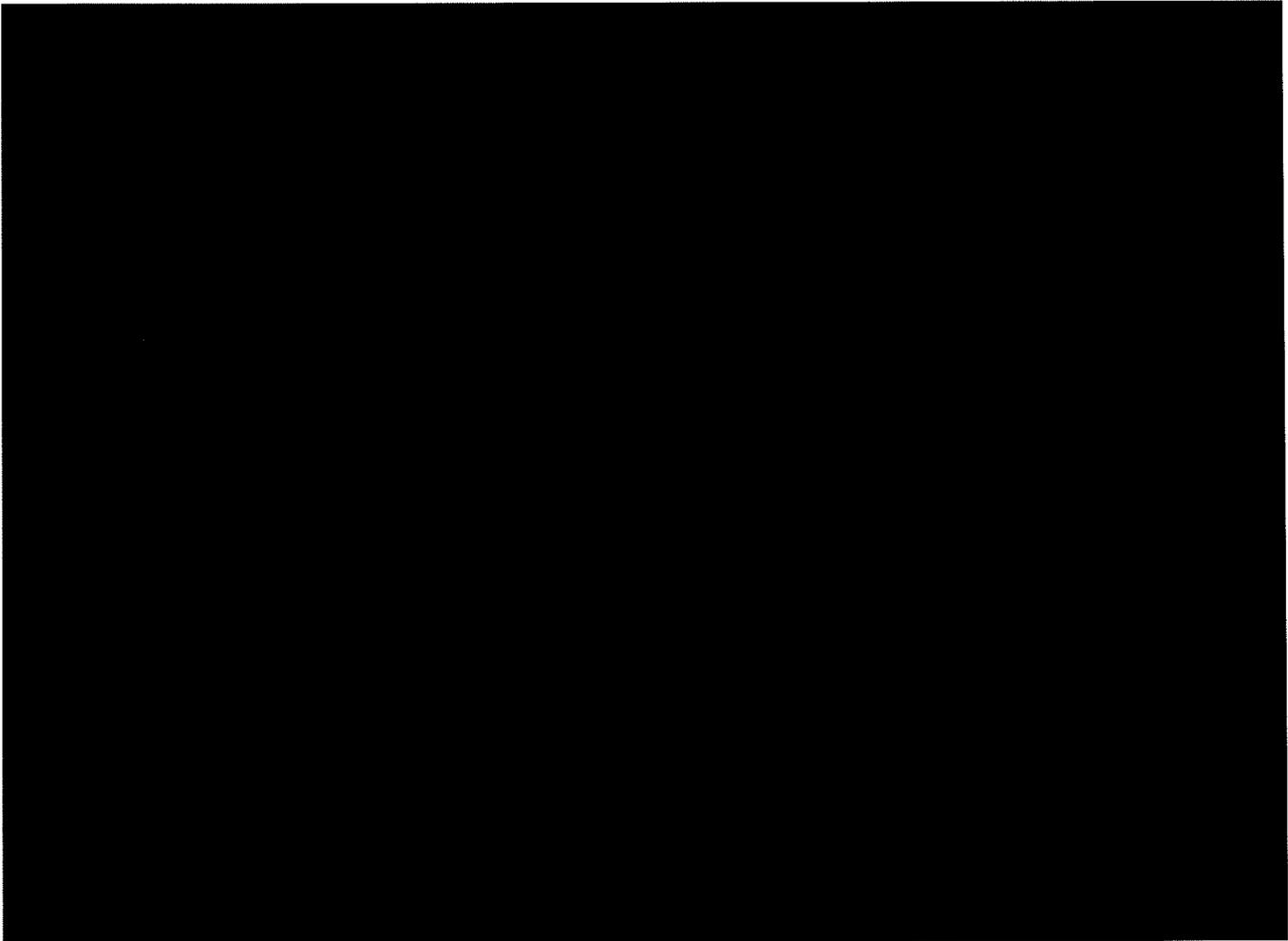
Sales of all customers in the aggregate by Business Unit Calendar Year 2014 to May 2016.



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Products sold by Business Unit Calendar Year 2014 to May 2016.



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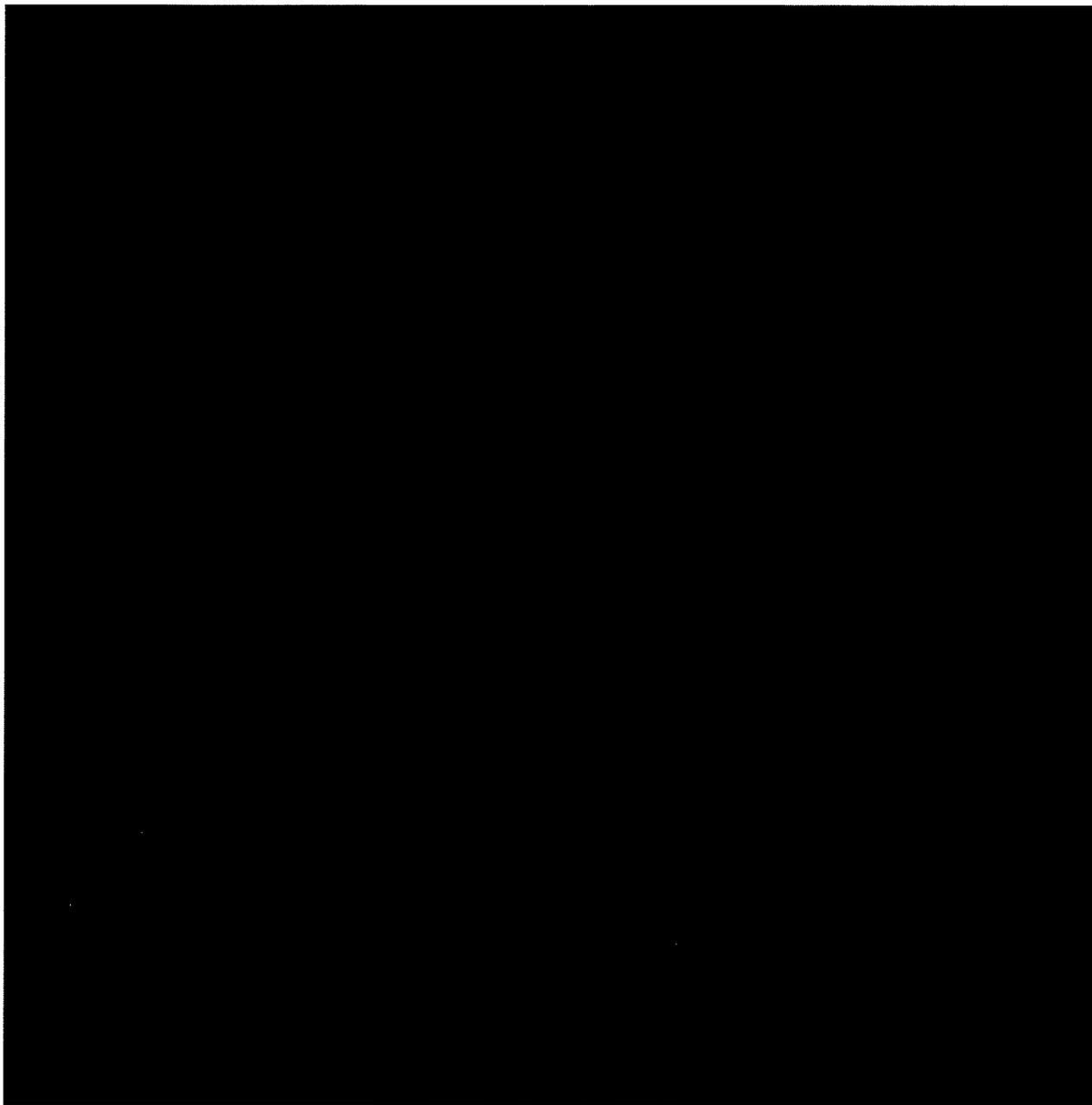
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20 Largest Customers (by XO Customer Name)
Address/Telephone Number/Contact Person

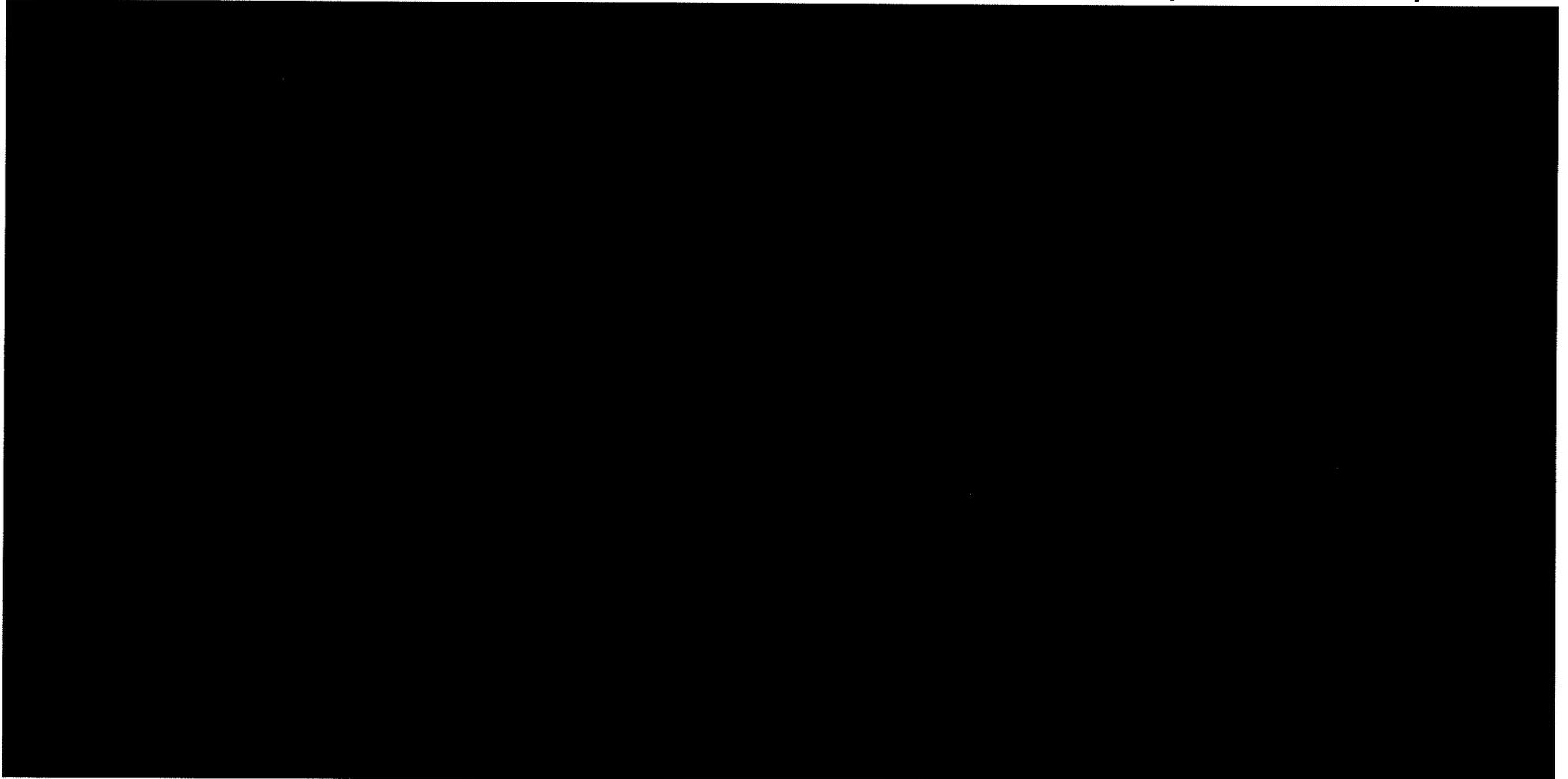


EXHIBIT A

Products Utilized by Top 20 Customers Calendar Year 2014 to May 2016.



TOP XO BUSINESS WIRELINE SERVICE COMPETITORS, TYPE & HQ ADDRESSES (2014 - Mid-2016)



CONFIDENTIAL INDEX FOR XO'S JULY 14, 2016 PRODUCTION

Begin Bates	End Bates	Request/s	Ori File Name	Custodian
XO-FCC00000812	XO-FCC00000812	5, 8	IP_VPN_Pricing Tool v3.xlsx	Steve Marinetto
XO-FCC00000813	XO-FCC00000813	7	1390_Battlecard_competitive_analysis_Managed Router v2.xlsx	General Custodians
XO-FCC00000814	XO-FCC00000834	7	Local Wholesale Transport Analysis - Atlantic-ACM - Oct-15.pdf	General Custodians
XO-FCC00000835	XO-FCC00000842	7	U.S. Ethernet Provider Leaderboard (VSG) - XO Now Ranked #8 (Down From #7 in Mid-15 But Up From #9 in Mid-14).msg	General Custodians
XO-FCC00000843	XO-FCC00000853	7	US Ethernet WAN Access Strategies + Pricing Trends - Gartner - Oct15.pdf	General Custodians
XO-FCC00000854	XO-FCC00000856	8	1423_4G Wireless Backup Cost structure.docx	Steve Marinetto
XO-FCC00000857	XO-FCC00000857	8	FCC - Question #8- Pricing_XO Response July 13, 2016.xlsx	James Anderson
XO-FCC00000858	XO-FCC00000859	9	CONFIDENTIAL XO Response to Request #8.msg	General Custodians
XO-FCC00000860	XO-FCC00000860	9	CONFIDENTIAL - Market Share and Flow Share Reports XO XLSX 06-17-2015.xlsx	General Custodians
XO-FCC00000861	XO-FCC00000861	9	CONFIDENTIAL - Wire Center Business Profile Report for HQ Sites XO 07-06-2015.xlsx	General Custodians
XO-FCC00000862	XO-FCC00000883	9	CONFIDENTIAL - XO 2015 Budget and 3-Year Plan Update (2014-11-17).pdf	General Custodians
XO-FCC00000884	XO-FCC00000905	9	CONFIDENTIAL - XO 2015 Budget and 3-Year Plan Update (2014-11-17).pptx	General Custodians
XO-FCC00000906	XO-FCC00000925	9	CONFIDENTIAL - XO 2016 Budget and 3-Year Plan Update (2015-12-11).pdf	General Custodians
XO-FCC00000926	XO-FCC00000968	9	CONFIDENTIAL - XO Long Range Plan 2016-2018 (12 16 15).pdf	General Custodians

Begin Bates	End Bates	Request/s	Ori File Name	Custodian
XO-FCC00000969	XO-FCC00001011	9	CONFIDENTIAL – XO Long Range Plan 2016-2018 (12 16 15).pptx	General Custodians
XO-FCC00001012	XO-FCC00001015	9	CONFIDENTIAL – XO Product Roadmaps 2014-2016.pdf	General Custodians
XO-FCC00001016	XO-FCC00001019	9	CONFIDENTIAL – XO Product Roadmaps 2014-2016.pptx	General Custodians
XO-FCC00001020	XO-FCC00001020	9	CONFIDENTIAL – XO Response to Voluntary Request - Mobile Wireless Backhaul Customer List.pdf	General Custodians
XO-FCC00001021	XO-FCC00001026	9	CONFIDENTIAL – XO Response to Voluntary Request - Retail Enterprise Customer List.pdf	General Custodians
XO-FCC00001027	XO-FCC00001046	9	CONFIDENTIAL – XO 2016 Budget and 3-Year Plan Update (2015-12-11).pdf	General Custodians
XO-FCC00001047	XO-FCC00001047	12	Final Report- DIA- FCC Request- by Q.xlsx	Darren Albertson