

RECEIVED

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

SEP 5 2000

U.S. DEPARTMENT OF COMMERCE
FEDERAL COMMUNICATIONS COMMISSION

In the Matter of)
)
Joint Applications of OnePoint Communications)
Corp. and Verizon Communications for Authority)
Pursuant to Section 214 of the Communications)
Act of 1934, as Amended, To Transfer Control of)
Authorizations To Provide Domestic Interstate)
and International Telecommunications Services)
as a Non-Dominant Carrier)

CC Docket No. 00-170
File No. ITC-_____

APPLICATIONS FOR TRANSFER OF CONTROL

September 5, 2000

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

APPROVED BY OMB 3060-0589

FEDERAL COMMUNICATIONS COMMISSION

REMITTANCE ADVICE

(1) LOCKBOX # 358145

PAGE NO. 1 OF 1

SPECIAL USE

FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)
Bell Atlantic d/b/a Verizon Communications

(3) TOTAL AMOUNT PAID (dollars and cents)
\$ 780.00

(4) STREET ADDRESS LINE NO. 1
1095 Avenue of the Americas

(5) STREET ADDRESS LINE NO. 2

(6) CITY
New York

(7) STATE
NY

(8) ZIP CODE
10036

(9) DAYTIME TELEPHONE NUMBER (include area code)
(212) 395-2121

(10) COUNTRY CODE (if not in U.S.A.)

**IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)**

SECTION B - APPLICANT INFORMATION

(11) APPLICANT NAME (if paying by credit card, enter name exactly as it appears on your card)

(12) STREET ADDRESS LINE NO. 1

(13) STREET ADDRESS LINE NO. 2

(14) CITY

(15) STATE

(16) ZIP CODE

(17) DAYTIME TELEPHONE NUMBER (include area code)

(18) COUNTRY CODE (if not in U.S.A.)

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEETS (FORM 159-C)

SECTION C - PAYMENT INFORMATION

| | | | | |
|------------------------------|--|---------------------|---|--------------|
| (19A) FCC CALL SIGN/OTHER ID | (20A) PAYMENT TYPE CODE (PTC) C U T | (21A) QUANTITY 1 | (22A) FEE DUE FOR (PTC) IN BLOCK 20A \$ 780.00 | FCC USE ONLY |
|------------------------------|--|---------------------|---|--------------|

(23A) FCC CODE 1 (24A) FCC CODE 2

| | | | | |
|------------------------------|-------------------------------|----------------|--|--------------|
| (19B) FCC CALL SIGN/OTHER ID | (20B) PAYMENT TYPE CODE (PTC) | (21B) QUANTITY | (22B) FEE DUE FOR (PTC) IN BLOCK 20B \$ | FCC USE ONLY |
|------------------------------|-------------------------------|----------------|--|--------------|

(23B) FCC CODE 1 (24B) FCC CODE 2

| | | | | |
|------------------------------|-------------------------------|----------------|--|--------------|
| (19C) FCC CALL SIGN/OTHER ID | (20C) PAYMENT TYPE CODE (PTC) | (21C) QUANTITY | (22C) FEE DUE FOR (PTC) IN BLOCK 20C \$ | FCC USE ONLY |
|------------------------------|-------------------------------|----------------|--|--------------|

(23C) FCC CODE 1 (24C) FCC CODE 2

| | | | | |
|------------------------------|-------------------------------|----------------|--|--------------|
| (19D) FCC CALL SIGN/OTHER ID | (20D) PAYMENT TYPE CODE (PTC) | (21D) QUANTITY | (22D) FEE DUE FOR (PTC) IN BLOCK 20D \$ | FCC USE ONLY |
|------------------------------|-------------------------------|----------------|--|--------------|

(23D) FCC CODE 1 (24D) FCC CODE 2

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN **0521312773** (26) COMPLETE THIS BLOCK ONLY IF APPLICANT NAME IN B-11 IS DIFFERENT FROM PAYER NAME IN A-2
APPLICANT TIN **0**

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT
I, Nancy J. Victory, Certify under penalty of perjury that the foregoing and supporting information are true and correct to the best of my knowledge, information and belief. SIGNATURE *Nancy J. Victory*

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD/VISA ACCOUNT NUMBER: MASTERCARD VISA

EXPIRATION DATE: MONTH YEAR

I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization(s) herein described. AUTHORIZED SIGNATURE DATE

VERIFICATION RECIEPT FOR ELECTRONIC FEE SENT TO MELLON BANK ON 09/01/00

13167552201;78000

1PAYOR FRN# :
 2APPLICANT FRN# :
 3LOCKBOX NUMBER :358145
 4FCC ACCOUNT NBR :0131675522
 5ELEC AUDIT CODE :167552202451324
 6PAYOR NAME :VERIZON
 7PAYOR NAME CONT :
 8PAYOR ST ADDRES :1850 M STREET
 9PAYOR ST ADDRES :1200
 10PAYOR CITY :WASHINGTON
 11PAYOR CITY CONT :
 12PAYOR STATE :DC
 13PAYOR ZIP :200365801
 14FEE TYPE :CUT
 15QUANTITY :1
 16FEE AMOUNT DUE :78000
 17FCC CALL SIGNID :214
 18APPLICANT NAME :VERIZON
 19APPLICANT NAME :
 20APPLICANT TIN :0521312773
 21APPLICANT ZIP :10036
 22FCC CODE 1 :0
 23FCC CODE 2 :0
 24FCC CODE 2 CONT :0

ENTRY ACCEPTED FOR THE FOLLOWING LOCATION:

| LOCATION: | 0013167552201 | AMOUNT: | 780.00 |
|-----------|-----------------|-------------------|--------|
| FIELD | TITLE | SUPPLEMENTAL DATA | |
| 3 | LOCKBOX NUMBER | 358145 | |
| 4 | FCC ACCOUNT NBR | 131675522 | |
| 5 | ELEC AUDIT CODE | 167552202451324 | |
| 6 | PAYOR NAME | VERIZON | |
| 8 | PAYOR ST ADDRES | 1850 M STREET | |
| 9 | PAYOR ST ADDRES | 1200 | |
| 10 | PAYOR CITY | WASHINGTON | |
| 12 | PAYOR STATE | DC | |
| 13 | PAYOR ZIP | 200365801 | |
| 14 | FEE TYPE | CUT | |
| 15 | QUANTITY | 1 | |
| 16 | FEE AMOUNT DUE | 78000 | |
| 17 | FCC CALL SIGNID | 214 | |
| 18 | APPLICANT NAME | VERIZON | |
| 20 | APPLICANT TIN | 0521312773 | |
| 21 | APPLICANT ZIP | 10036 | |
| 22 | FCC CODE 1 | 0 | |
| 23 | FCC CODE 2 | 0 | |
| 24 | FCC CODE 2 CONT | 0 | |

| LOCATION | AMOUNT |
|---------------|--------|
| 0013167552201 | 780.00 |

| VERIFICATION CODE |
|-------------------|
| 2065 |

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

| | | |
|--|---|----------------|
| In the Matter of |) | |
| |) | |
| ONEPOINT COMMUNICATIONS CORP., |) | |
| Transferor, |) | |
| |) | |
| and |) | File No. _____ |
| |) | |
| VERIZON COMMUNICATIONS, |) | |
| Transferee, |) | |
| |) | |
| Application for Authority to Transfer |) | |
| Control of Blanket Section 214 Authorization |) | |
| To Provide Domestic Interstate |) | |
| Telecommunications Services Controlled by |) | |
| OnePoint Communications Corp. |) | |

APPLICATION FOR TRANSFER OF CONTROL

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.01 of the Commission's Rules, 47 C.F.R. §63.01, OnePoint Communications Corp. ("OnePoint") and Bell Atlantic Corp. d/b/a Verizon Communications ("Verizon") (collectively, "Applicants") respectfully request authority from the Commission to transfer control to Verizon of OnePoint's blanket Section 214 authority to provide domestic interstate telecommunications services as a non-dominant carrier.

This application is being filed in preparation for the proposed acquisition of OnePoint by Verizon.¹ Following consummation of the transaction, OnePoint will be

¹ An application requesting Commission authority for the transfer of control of the international Section 214 authorizations held by OnePoint is being filed

Continued . . .

an indirect, wholly-owned subsidiary of Verizon. Authority for the transfer of control described herein is requested so that OnePoint's blanket Section 214 authorization can continue to be used to promote the public interest in the efficient and competitive provision of telecommunications services to the public.

Accordingly, this application requests FCC consent to the transfer of control of OnePoint's domestic Section 214 blanket authority to Verizon.

I. DESCRIPTION OF THE PARTIES

A. OnePoint Communications Corp.

OnePoint is a provider of local telephone, long distance telephone, video services, and high-speed Internet access to apartment and condominium (Multiple Dwelling Units or "MDUs") residents. Founded in 1996, OnePoint currently operates in 10 markets and holds authorizations to provide local exchange services in 12 states and the District of Columbia. OnePoint is not a facilities-based carrier, but rather has entered into the agreements necessary to provide for the resale of such services.

OnePoint is a subsidiary of Ventures in Communications II, L.L.C. ("Ventures"). Ventures is a holding company whose subsidiaries provide telecommunications services. It is the corporate parent of a number of operating subsidiaries that provide different telecommunications services to the public.

... Continued
contemporaneously with this application.

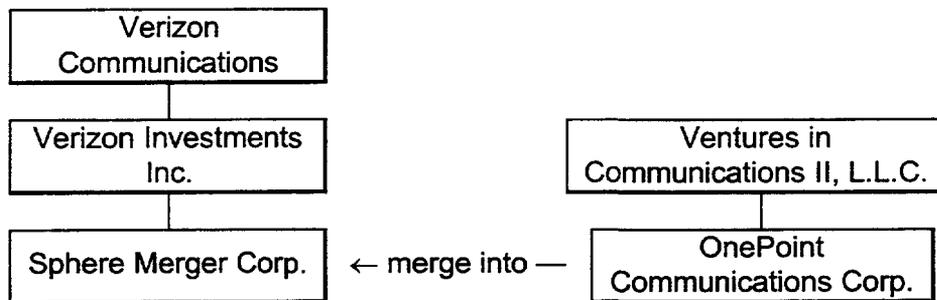
B. Verizon Communications and Verizon Investments Inc.

Verizon is a holding company, with various subsidiaries that provide local exchange services, wireless services, various information services, and long-distance services originating in New York and other states outside of the former Bell Atlantic region. Verizon is headquartered in New York, N.Y.

Verizon Investments Inc. is a wholly-owned subsidiary of Verizon. Verizon Investments was created for the purpose of holding various investments, like the proposed investment in OnePoint.

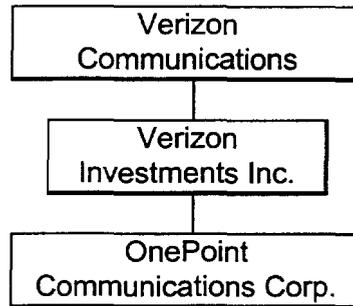
II. DESCRIPTION OF THIS TRANSACTION

OnePoint and Verizon are filing this application in anticipation of a transaction involving the two companies. This transaction will provide OnePoint with the necessary infusion of capital to continue its operations and to expand its business. As contemplated under the transaction, Sphere Merger Corp. (“MergerSub”), a direct wholly-owned subsidiary of Verizon Investments, and an indirect subsidiary of Verizon, will merge with and into OnePoint.



Following the merger, the separate existence of MergerSub shall cease, and OnePoint shall continue as the surviving corporation. OnePoint will assume MergerSub’s certificate of incorporation, by-laws, directors and officers. Also, all

capital stock of MergerSub will be converted into OnePoint stock and all of OnePoint's stock outstanding prior to the transaction will be cancelled. As depicted in the following illustration, as a result of this transaction, OnePoint will become a wholly-owned, indirect subsidiary of Verizon.



III. PUBLIC INTEREST STATEMENT

As described in detail in the accompanying public interest statement, the proposed transfer of control will serve the public interest because the underlying transaction will provide OnePoint with the capital it needs to compete, and, by doing so generate substantial benefits for residential consumers who live in apartment buildings. The transaction will result in no countervailing competitive harms.

IV. ADDITIONAL INFORMATION PROVIDED PURSUANT TO THE COMMISSION'S RULES

In support of their application for transfer of control, the Applicants submit the following additional information:

- (a) Names, addresses, and telephone numbers of OnePoint and Verizon:

OnePoint Communications Corp.
Two Conway Park
150 Field Drive, Suite 300
Lake Forest, IL 60045
Tel: (847) 735-7000

Bell Atlantic Corp. d/b/a Verizon Communications
1095 Avenue of the Americas
New York, NY 10036
Tel: (212) 395-2121

- (b) Verizon is a corporation organized under the laws of the State of New York. OnePoint is a corporation organized under the laws of the State of Delaware.
- (c) Correspondence concerning this application should be sent to:

For the transferor:

Richard P. Kolb
OnePoint Communications Corp.
Two Conway Park
150 Field Drive, Suite 300
Lake Forest, IL 60045
Tel: (847) 735-7000
Fax: (847) 735-7300

For the transferee:

Karen Zacharia, Esq.
Verizon
1320 North Courthouse Rd, 8th Floor
Arlington, VA 22201
Tel: (703) 974-4865
Fax: (703) 974-0259

With a copy to:

Nancy J. Victory, Esq.
Wiley, Rein & Fielding
1776 K Street, N.W.
Washington, DC 20006
Tel: (202) 719-7388
Fax: (202) 719-7049

In accordance with the provisions of Sections 1.2001-1.2003 of the Commission's Rules (47 C.F.R. § 1.2201-1.2003), the undersigned certifies that no party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853.

IV. CONCLUSION

For the reasons stated above, OnePoint and Verizon respectfully submit that the public interest, convenience and necessity would be furthered by a grant of this application for transfer of control of OnePoint's blanket Section 214 authorization to Verizon.

Respectfully submitted,

ONEPOINT COMMUNICATIONS CORP.

VERIZON COMMUNICATIONS



Richard P. Kolb
OnePoint Communications Corp.
Two Conway Park
150 Field Drive, Suite 300
Lake Forest, IL 60045
Tel: (847) 735-7000

Michael E. Glover
Karen Zacharia
Bell Atlantic Corp. d/b/a Verizon
Communications
1320 North Courthouse Rd, 8th Floor
Arlington, VA 22201
Tel: (703) 974-4865

Jeffery S. Linder
Nancy J. Victory
Daniel J. Smith
Wiley, Rein & Fielding
1776 K Street, NW
Washington, DC 20006
Tel: (202) 719-7000

Counsel to Verizon Communications

Dated: September 5, 2000

IV. CONCLUSION

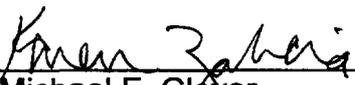
For the reasons stated above, OnePoint and Verizon respectfully submit that the public interest, convenience and necessity would be furthered by a grant of this application for transfer of control of OnePoint's blanket Section 214 authorization to Verizon.

Respectfully submitted,

ONEPOINT COMMUNICATIONS CORP.

VERIZON COMMUNICATIONS

Richard P. Kolb
OnePoint Communications Corp.
Two Conway Park
150 Field Drive, Suite 300
Lake Forest, IL 60045
Tel: (847) 735-7000


Michael E. Glover
Karen Zacharia
Verizon
1320 North Courthouse Rd, 8th Floor
Arlington, VA 22201
Tel: (703) 974-4865

Jeffery S. Linder
Nancy J. Victory
Daniel J. Smith
Wiley, Rein & Fielding
1776 K Street, NW
Washington, DC 20006
Tel: (202) 719-7000

Counsel to Verizon

Dated: September 5, 2000

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

APPROVED BY OMB 3060-0589

(1) LOCKBOX # 358115

PAGE NO. 1 OF 1

SPECIAL USE

FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)
Bell Atlantic d/b/a Verizon Communications

(3) TOTAL AMOUNT PAID (dollars and cents)
\$ 1,560.00

(4) STREET ADDRESS LINE NO. 1
1095 Avenue of the Americas

(5) STREET ADDRESS LINE NO. 2

(6) CITY
New York

(7) STATE
NY

(8) ZIP CODE
10036

(9) DAYTIME TELEPHONE NUMBER (include area code)
(212) 395-2121

(10) COUNTRY CODE (if not in U.S.A.)

**IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)**

SECTION B - APPLICANT INFORMATION

(11) APPLICANT NAME (if paying by credit card, enter name exactly as it appears on your card)

(12) STREET ADDRESS LINE NO. 1

(13) STREET ADDRESS LINE NO. 2

(14) CITY

(15) STATE

(16) ZIP CODE

(17) DAYTIME TELEPHONE NUMBER (include area code)

(18) COUNTRY CODE (if not in U.S.A.)

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEETS (FORM 159-C)

SECTION C - PAYMENT INFORMATION

(19A) FCC CALL SIGN/OTHER ID (20A) PAYMENT TYPE CODE (PTC) (21A) QUANTITY (22A) FEE DUE FOR (PTC) IN BLOCK 20A FCC USE ONLY
C U T 2 \$ 1,560.00

(23A) FCC CODE 1 (24A) FCC CODE 2

(19B) FCC CALL SIGN/OTHER ID (20B) PAYMENT TYPE CODE (PTC) (21B) QUANTITY (22B) FEE DUE FOR (PTC) IN BLOCK 20B FCC USE ONLY
\$

(23B) FCC CODE 1 (24B) FCC CODE 2

(19C) FCC CALL SIGN/OTHER ID (20C) PAYMENT TYPE CODE (PTC) (21C) QUANTITY (22C) FEE DUE FOR (PTC) IN BLOCK 20C FCC USE ONLY
\$

(23C) FCC CODE 1 (24C) FCC CODE 2

(19D) FCC CALL SIGN/OTHER ID (20D) PAYMENT TYPE CODE (PTC) (21D) QUANTITY (22D) FEE DUE FOR (PTC) IN BLOCK 20D FCC USE ONLY
\$

(23D) FCC CODE 1 (24D) FCC CODE 2

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN 0 5 2 1 3 1 2 7 7 3

(26) COMPLETE THIS BLOCK ONLY IF APPLICANT NAME IN B-11 IS DIFFERENT FROM PAYER NAME IN A-2
APPLICANT TIN 0

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT
I, Nancy J. Victory, Certify under penalty of perjury that the foregoing and supporting information
(PRINT NAME)
are true and correct to the best of my knowledge, information and belief. SIGNATURE *Nancy J. Victory*

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD/VISA ACCOUNT NUMBER: MASTERCARD VISA EXPIRATION DATE:
MONTH YEAR

I hereby authorize the FCC to charge my VISA or MASTERCARD AUTHORIZED SIGNATURE DATE
for the service(s)/authorization(s) herein described.

VERIFICATION RECEIPT FOR ELECTRONIC FEE SENT TO MELLON BANK ON 09/01/00

13167552201;156000

1PAYOR FRN# :
 2APPLICANT FRN# :
 3LOCKBOX NUMBER :358115
 4FCC ACCOUNT NBR :0131675522
 5ELEC AUDIT CODE :167552202451326
 6PAYOR NAME :VERIZON
 7PAYOR NAME CONT :
 8PAYOR ST ADDRESS :1850 M STREET
 9PAYOR ST ADDRESS :1200
 10PAYOR CITY :WASHINGTON
 11PAYOR CITY CONT :
 12PAYOR STATE :DC
 13PAYOR ZIP :200365801
 14FEE TYPE :CUT
 15QUANTITY :2
 16FEE AMOUNT DUE :78000
 17FCC CALL SIGNID :214S
 18APPLICANT NAME :VERIZON
 19APPLICANT NAME :
 20APPLICANT TIN :0521312773
 21APPLICANT ZIP :10036
 22FCC CODE 1 :0
 23FCC CODE 2 :0
 24FCC CODE 2 CONT :0

ENTRY ACCEPTED FOR THE FOLLOWING LOCATION:

LOCATION: 0013167552201 AMOUNT: 1,560.00

| FIELD | TITLE | SUPPLEMENTAL DATA |
|-------|------------------|-------------------|
| 3 | LOCKBOX NUMBER | 358115 |
| 4 | FCC ACCOUNT NBR | 131675522 |
| 5 | ELEC AUDIT CODE | 167552202451326 |
| 6 | PAYOR NAME | VERIZON |
| 8 | PAYOR ST ADDRESS | 1850 M STREET |
| 9 | PAYOR ST ADDRESS | 1200 |
| 10 | PAYOR CITY | WASHINGTON |
| 12 | PAYOR STATE | DC |
| 13 | PAYOR ZIP | 200365801 |
| 14 | FEE TYPE | CUT |
| 15 | QUANTITY | 2 |
| 16 | FEE AMOUNT DUE | 78000 |
| 17 | FCC CALL SIGNID | 214S |
| 18 | APPLICANT NAME | VERIZON |
| 20 | APPLICANT TIN | 0521312773 |
| 21 | APPLICANT ZIP | 10036 |
| 22 | FCC CODE 1 | 0 |
| 23 | FCC CODE 2 | 0 |
| 24 | FCC CODE 2 CONT | 0 |

| LOCATION | AMOUNT |
|---------------|----------|
| 0013167552201 | 1,560.00 |

| VERIFICATION CODE |
|-------------------|
| 1863 |

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

| | | |
|--|---|--------------------|
| In the Matter of |) | |
| |) | |
| ONEPOINT COMMUNICATIONS CORP., |) | |
| Transferor, |) | |
| |) | |
| and |) | File No. ITC-_____ |
| |) | |
| VERIZON COMMUNICATIONS, |) | |
| Transferee, |) | |
| |) | |
| Application for Authority to Transfer |) | |
| Control of Section 214 Authorizations To |) | |
| Provide International Telecommunications |) | |
| Services Controlled by OnePoint |) | |
| Communications Corp. |) | |

APPLICATION FOR TRANSFER OF CONTROL

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.18(e)(3) of the Commission's Rules, 47 C.F.R. § 63.18(e)(3), OnePoint Communications Corp. ("OnePoint") and Bell Atlantic Corp. d/b/a Verizon Communications ("Verizon") (collectively, "Applicants") respectfully request authority from the Commission to transfer control to Verizon of the international Section 214 authorizations currently held by subsidiaries of OnePoint.¹

¹ The two international Section 214 authorizations for which transfer authority is requested are held by subsidiaries of OnePoint. See OnePoint Communications, LLC, File No. ITC-214-19970418-00216 (granted June 13, 1997); OnePoint Services, L.L.C., File No. ITC-214-20000321-00206 (granted May 3, 2000).

As discussed in Part IV, subsections (m) and (p), *infra*, this application is entitled to streamlined processing pursuant to Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c). Because all of the destination countries in which Verizon has affiliated carriers are WTO countries, and because the Section 214 authorizations to be transferred are for resale only, Verizon qualifies for a presumption of nondominance and this application qualifies for streamlined treatment.

This application is being filed in preparation for the proposed acquisition of OnePoint by Verizon.² Following consummation of the transaction, OnePoint will be an indirect, wholly-owned subsidiary of Verizon. Authority for the transfer of control described herein is requested so that the international Section 214 authorizations can continue to be used to promote the public interest in the efficient and competitive provision of telecommunications services to the public.

I. DESCRIPTION OF THE PARTIES

A. OnePoint Communications Corp.

OnePoint is a provider of local telephone, long distance telephone, video services, and high-speed Internet access to apartment and condominium (Multiple Dwelling Units or "MDUs") residents. Founded in 1996, OnePoint currently operates in 10 markets and holds authorizations to provide local exchange services in 12 states and the District of Columbia. OnePoint is not a facilities-based carrier,

² An application requesting the transfer of control of the domestic Section 214 blanket authority held by OnePoint is being filed contemporaneously with this Application.

but rather has entered into the agreements necessary to provide for the resale of such services.

OnePoint is a subsidiary of Ventures in Communications II, L.L.C. (“Ventures”). Ventures is a holding company whose subsidiaries provide telecommunications services. It is the corporate parent of a number of operating subsidiaries that provide different telecommunications services to the public.

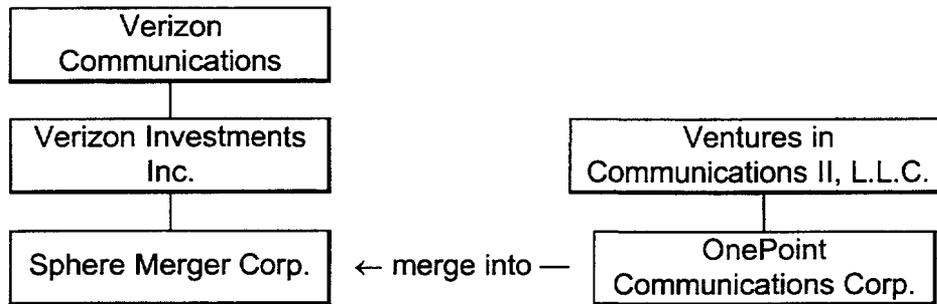
B. Verizon Communications and Verizon Investments Inc.

Verizon is a holding company, with various subsidiaries that provide exchange services, wireless services, various information services, and long-distance services originating in New York and other states outside of the former Bell Atlantic region. Verizon is headquartered in New York, N.Y.

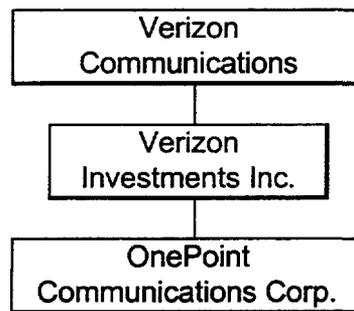
Verizon Investments Inc. is a wholly-owned subsidiary of Verizon. Verizon Investments was created for the purpose of holding various investments, like the proposed investment in OnePoint.

II. DESCRIPTION OF THIS TRANSACTION

OnePoint and Verizon are filing this application in anticipation of a transaction involving the two companies. This transaction will provide OnePoint with the necessary infusion of capital to continue its operations and to expand its business. As contemplated under the transaction, Sphere Merger Corp. (“MergerSub”), a direct wholly-owned subsidiary of Verizon Investments, and an indirect subsidiary of Verizon, will merge with and into OnePoint.



Following the merger, the separate existence of MergerSub shall cease, and OnePoint shall continue as the surviving corporation. OnePoint will assume MergerSub's certificate of incorporation, by-laws, directors and officers. Also, all capital stock of MergerSub will be converted into OnePoint stock and all of OnePoint's stock outstanding prior to the transaction will be cancelled. As depicted in the following illustration, as a result of this transaction, OnePoint and its subsidiaries will become subsidiaries of Verizon.



III. PUBLIC INTEREST STATEMENT

As described in detail in the accompanying public interest statement, the proposed transfer of control will serve the public interest because the underlying transaction will provide OnePoint with the capital it needs to compete, and, by doing so, generate substantial benefits for residential consumers who live in apartment buildings. The transaction will result in no countervailing competitive harms.

IV. INFORMATION REQUIRED BY SECTION 63.18 OF THE COMMISSION'S RULES

In support of their application for transfer of control, the Applicants submit the information required pursuant to Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18. The information set forth below is labeled according to the corresponding rule section to which it is responsive:

- (a) Names, addresses, and telephone numbers of OnePoint and Verizon:

OnePoint Communications Corp.
Two Conway Park
150 Field Drive, Suite 300
Lake Forest, IL 60045
Tel: (847) 735-7000

Bell Atlantic Corp. d/b/a Verizon Communications
1095 Avenue of the Americas
New York, NY 10036
Tel: (212) 395-2121

- (b) Verizon is a corporation organized under the laws of the State of New York. OnePoint is a corporation organized under the laws of the State of Delaware.
- (c) Correspondence concerning this application should be sent to:

For the transferor:

Richard P. Kolb
OnePoint Communications Corp.
Two Conway Park
150 Field Drive, Suite 300
Lake Forest, IL 60045
Tel: (847) 735-7000
Fax: (847) 735-7300

For the transferee:

Karen Zacharia, Esq.
Verizon
1320 North Courthouse Rd, 8th Floor
Arlington, VA 22201
Tel: (703) 974-4865

Fax: (703) 974-0259

With a copy to:

Nancy J. Victory, Esq.
Wiley, Rein & Fielding
1776 K Street, N.W.
Washington, DC 20006
Tel: (202) 719-7388
Fax: (202) 719-7049

- (d) Various subsidiaries of Verizon hold Section 214 authorizations to provide switched and private-line services as facilities-based and resale carriers between points in the United States and foreign points. A list of these authorizations is attached as Attachment A.

Two subsidiaries of OnePoint hold international Section 214 authorizations to provide resold international services. See OnePoint Communications, LLC, File No. ITC-214-19970418-00216 (granted June 13, 1997); OnePoint Services, L.L.C., File No. ITC-214-20000321-00206 (granted May 3, 2000).

- (e)(3) This application seeks Commission approval for the transfer of control of the international Section 214 authorizations currently held by OnePoint and its subsidiaries as listed to the response to (d) above.
- (f) Not applicable.
- (g) Not applicable.
- (h) No single shareholder of Verizon holds 10 percent or more of the company's stock.
- (i) Verizon certifies that it is not a foreign carrier, but that it is affiliated with foreign carriers as the term "affiliation" is defined in Section 63.09(e) of the Commission's Rules, 47 C.F.R. § 63.09(e). Verizon has affiliations with foreign carriers in the following countries: Argentina (CTI Compañía de Teléfonos del Interior S.A. and CTI Norte Compañía de Teléfonos del Interior S.A. (collectively "CTI")), Canada (TELUS Communications, Inc., and Quebec-Telephone), Dominican Republic (Compañía Dominicana de Teléfonos, C. por A. ("CODETEL")), Gibraltar (Gibraltar NYNEX), Japan (GTE Far East (Services) Limited ("GTEFE")), Mexico (Iusacell), and Venezuela (Compañía Anónima Nacional Teléfonos de Venezuela ("CANTV")).
- (j) Verizon certifies that it will seek to provide international telecommunications services to destination countries where it controls

one or more foreign carriers in that country, as defined by the Commission's rules. Those countries (and the associated controlled foreign carrier) are Argentina (CTI Compañía de Teléfonos del Interior S.A. and CTI Norte Compañía de Teléfonos del Interior S.A. (collectively "CTI")), Canada (Quebec-Telephone), Dominican Republic (Compañía Dominicana de Teléfonos, C. por A. ("CODETEL")), Gibraltar (Gibraltar NYNEX), and Japan (GTE Far East (Services) Limited ("GTEFE")).

- (k) All of the countries identified in subsection (j) above are members of the WTO.³
- (l) The Commission has previously concluded that Verizon's affiliated foreign carriers in Argentina, Canada, Gibraltar, Japan and Mexico lack market power under the 50 percent market share standard set forth in Section 63.10(a)(3).⁴ As discussed in subsection (m) below, Verizon's foreign affiliates in Venezuela and the Dominican Republic effectively lack market power to affect competition adversely in the U.S. market when Verizon resells international services of an unaffiliated U.S. carrier and, accordingly, Verizon requests regulation as a non-dominant carrier on those routes. Verizon certifies that, to the extent required by the Commission, it will file quarterly traffic reports required by 47 C.F.R. § 43.61(c) for Venezuela and the Dominican Republic.
- (m) Verizon requests regulation as a non-dominant carrier for the provision of resold international telecommunications services to those countries where it has affiliates (listed in subsection (i) above). Pursuant to Section 63.10(a)(4), the provision of service solely through the resale of an unaffiliated U.S. facilities-based carrier's international switched services is presumptively classified as non-dominant.⁵ Verizon's proposed provision of resold services under the

³ The Commission treats Gibraltar as a WTO Member for purposes of applying the proper entry standard for transfer of control applications. See *Applications of GTE Corp. and Bell Atlantic Corp.*, CC Docket No. 98-184, FCC 00-221, ¶ 409 (rel. June 16, 2000) ("*GTE/Bell Atlantic Order*").

⁴ See *GTE/Bell Atlantic Order*, ¶¶ 412-419.

⁵ 47 C.F.R. §63.10(a)(4). See also *GTE/Bell Atlantic Order*, ¶ 422 (when these subsidiaries "are only reselling the switched services of unaffiliated facilities based U.S.-authorized carriers, Bell Atlantic subsidiaries . . . will not be subject to the Commission's international dominant carrier safeguards on these routes").

authorizations being transferred should be treated accordingly.⁶

- (n) Verizon certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
- (o) Verizon certifies pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, that it is not subject to the denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a).
- (p) This application is eligible for streamlined processing pursuant to Section 63.12(c)(1)(iv) of the Commission's Rules, 47 C.F.R. § 63.12(c)(1)(iv). This provision permits streamlined processing where the applicant is affiliated with a foreign carrier whose destination market is a WTO country and who qualifies for a presumption of non-dominance under Section 63.10(a)(4). In this case, all of the destination countries in which Verizon has affiliated carriers (Argentina, Canada, Dominican Republic, Gibraltar, Japan, Mexico and Venezuela) are WTO countries. Further, as explained in subsection (m) above, Verizon qualifies for a presumption of non-dominance under Section 63.10(a)(4) for purposes of the authorizations to be transferred.⁷

⁶ Even were the proposed operations facilities-based, the Commission has previously concluded that Verizon's affiliates in Argentina, Canada, Gibraltar, Japan and Mexico lack market power and are classified as non-dominant. See *GTE/Bell Atlantic Order*, ¶¶ 412-419.

⁷ OnePoint and Verizon confirm that they will not close the proposed transfer of control unless and until the Commission grants the transfer of the associated domestic Section 214 blanket authorization.

V. CONCLUSION

For the above reasons, OnePoint and Verizon respectfully submit that the public interest, convenience and necessity would be furthered by a grant of this application to transfer control of OnePoint's international Section 214 authorizations to Verizon.

Respectfully submitted,

ONEPOINT COMMUNICATIONS CORP.

VERIZON COMMUNICATIONS



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Counsel to Verizon Communications

Dated: September 5, 2000

V. CONCLUSION

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Dated: September 5, 2000

**214 AUTHORIZATIONS HELD BY VERIZON
AND ITS SUBSIDIARIES**

| International Carrier | New Name |
|--|--------------------------------|
| Bell Atlantic Communications, Inc. Distance File No. ITC-214-19971223-00813 | d/b/a Verizon Long |
| NYNEX Long Distance Company Solutions File No. ITC-214-19971223-00811 | Verizon Enterprise |
| Bell Atlantic Global Network & Transport Inc. Solutions, Inc. File No. ITC-214-20000720-00450 (application pending) | Verizon Global Solutions |
| GTE Hawaiian Tel International Incorporated International Inc. File Nos. ITC-96-645 and ITC-97-078 | Verizon Hawaii |
| GTE Pacifica Incorporated File No. ITC-97-779-AL | d/b/a Verizon Pacifica |
| GTE Communications Corporation Inc. File No. ITC-214-19991104-00684 | Verizon Select Services |
| Bell Atlantic Global Network Transport Solutions, Inc. File No. ITC-214-2000720-00450 | Verizon Global Solutions, Inc. |
| GTE Wireless Incorporated File No. ITC-95-561 | |
| GTE Airfone Incorporated File Nos. 91-216, 91-238 | |
| GTE Railfone Incorporated File Nos. 92-245 | |

GTE Telecommunications Services
Incorporated
File Nos. 94-094

Codetel International Communications
Incorporated
File No. ITC-214-19990303-00103,
214-19991220-00781

Telus Communications, Inc.
File No. ITC-T/C-19990114-0023

Celulares Telefonica, Inc.
File No. ITC-T/C-19980902-00605,
ITC-214-20000714-004110

PUBLIC INTEREST STATEMENT

I. OVERVIEW

Verizon's acquisition of OnePoint is undeniably in the public interest. From OnePoint's perspective, the transaction provides funding that is essential to the preservation and expansion of the company's core business: providing bundled telecommunications, video, and broadband Internet access services to residential customers in multiple dwelling units (MDUs). From Verizon's perspective, the merger will allow it to compete more effectively in the MDU business, where it faces intense competition from cable operators and from competing facilities-based carriers such as RCN, among others. It also affirms and promotes Verizon's commitment to be a major nationwide competitor, affording access to MDUs in key markets in each of the other RBOCs' regions. Most importantly, from the public's perspective, the combination of Verizon and OnePoint will expedite the deployment of advanced services and applications to customers in MDUs and strengthen an open competitive alternative to the cable companies' closed broadband networks.

Verizon's acquisition of OnePoint raises no countervailing competitive concerns. The MDU market is fiercely competitive, and neither OnePoint nor Verizon is a dominant provider of bundled service packages to residents of MDUs. Residents of MDUs typically buy bundles of telecommunications and non-telecommunications services (including cable and Internet access), and the cable incumbents and RCN (with several other alternative video and telecommunications providers coming on strong) are far and away the entrenched suppliers of these packages. Even looking solely at the provision of voice telephony, OnePoint is an insignificant presence in the marketplace. It is purely a reseller, and it provides local telephone service to a total of fewer than 11,000 customers in Verizon's local service areas across the country.