

FEDERAL ROOM

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

December 21, 2000

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Mr. Jeffrey Ward
Senior Vice President
Regulatory Compliance
Verizon Communications, Inc.
1310 North Court House Road
Arlington, VA 22201

RECEIVED

RE: *Bell Atlantic/GTE Merger Order*, CC Docket No. 98-184, ASD File No. 00-30

Dear Mr. Ward:

This letter grants the request of Verizon Communications, Inc. ("Verizon") for an extension of time from December 27, 2000 to January 29, 2001 for submission of one audit report required by Condition VIII of the *Bell Atlantic/GTE Merger Order*.¹

The Commission adopted Condition VIII, *Collocation, Unbundled Network Elements, and Line Sharing Compliance*, in the *Bell Atlantic/GTE Merger Order*² to help reduce barriers to local competition after the merger. The Commission required Verizon to obtain an independent audit of Verizon's compliance with the Commission's rules for unbundled network elements ("UNEs") and line sharing.³ The independent auditor must be acceptable to the Common Carrier Bureau ("Bureau"), which oversees the required audits.⁴ Pursuant to the schedule established in the *Merger Conditions*, Verizon must submit the audit report to the Commission by December 27, 2000. The Chief of the Common Carrier Bureau may extend the audit deadline "upon a request and showing of good cause" by Verizon.⁵

As required by the *Merger Conditions*, Verizon's independent auditor had sought interpretations of the Commission's UNE and line sharing requirements. In addition, the Bureau's audit staff raised questions with the independent auditor concerning a number of operational issues related to the audit. The ensuing discussions between the Bureau and the independent auditors lasted longer than anticipated.

¹ GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License, *Memorandum Opinion and Order*, FCC 00-221 (rel. Jun. 16, 2000) ("*Bell Atlantic/GTE Merger Order*"). The *Merger Conditions* are contained in Appendix D.

² Letter from Jeffrey Wm Ward, Senior Vice President, Regulatory Compliance, Verizon Communications, Inc., to Carol E. Matthey, Deputy Chief, Common Carrier Bureau, FCC (Dec. 19, 2000).

³ *Bell Atlantic/GTE Merger Order* at paras. 297-99; see *id.* at Appendix D, para. 28 (describing independent audit requirements for the UNE/Line Sharing compliance audit).

⁴ *Id.* at para. 338.

⁵ *Id.* at Appendix D, para. 62.

In light of the delay caused by the need for interpretations and discussion of operations issues in recent weeks, the Bureau is granting the requested extension of time for the UNE/Line Sharing compliance audit from December 27, 2000 to January 29, 2001.⁶ The Commission and the public are relying on the independent auditor to perform a thorough and systematic evaluation of Verizon's compliance with the UNE and line sharing requirements. The additional time will enable the independent auditor to complete its evaluation and prepare a report presenting its opinion of Verizon's compliance with the UNE and line sharing requirements.

Please do not hesitate to contact me if I can be of further assistance. You may also contact Anthony Dale in the Common Carrier Bureau directly at (202) 418-2260 for further information on this matter.

Sincerely,

Carol E. Matthey
Deputy Chief, Common Carrier Bureau

⁶ Under the *Merger Conditions*, the deadline for submission of the Collocation compliance audit report is January 29, 2001. See *Bell Atlantic/GTE Merger Order* at Appendix D, para. 27(c)(5).