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October 18, 2002

Commissioner Kathleen Abemathy  
 Federal Communications Commission  
 445-12<sup>th</sup> Street, SW  
 Washington, D.C. 20554

Re: Ex Parte Verizon Declaratory Action – WC 02-202

Dear Commissioner Abemathy:

Mpower Communications Corp. (“Mpower”) filed Comments in this docket indicating that all carriers have been damaged by the current downturn and that Verizon is merely using this situation “to further penalize its competitors regardless of whether they have continued to pay their bills in a timely fashion.” (Mpower Comments, 8/15/02, p. 2) Mpower also pointed out that using \$250,000 in overdue payments as the trigger, without excepting disputed amounts, when Verizon bills are chronically inaccurate, would lead to all carriers having to provide Verizon with deposits or prepayments. Further, the tariff provisions would readily lead to drastic measures being taken by the ILEC.

Drastic measures are too readily taken by Verizon without the additional authority and shortened time frames included in the proposed tariffs. To illustrate just how quickly and injudiciously Verizon is willing to threaten its competitors with termination of its bottleneck services, Mpower has attached a copy of a letter sent by Verizon’s attorneys to Mpower’s bankruptcy attorneys subsequent to Mpower’s exiting its Chap. 11 reorganization. This letter was sent on Tuesday, September 17 of this year and demanded compliance before 5:00 p.m. Friday, September 20. It stated, in part, as follows:

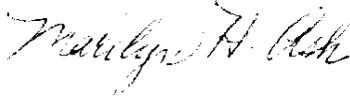
Currently, Mpower owes past-due amounts to Verizon...for post-petition utility services....If Mpower fails to wire transfer all past-due amounts to Verizon by 5:00 p.m. on Friday, September 20, 2002, Verizon will seek to enforce its rights...including, without limitation, termination of services.

Within 24 hours after sending this letter, Verizon belatedly recognized that it had errors in its billings and communications failures between its billing and collections departments. In fact, Mpower did not owe the cited monies. The error was made because Verizon bills are so inaccurate and unauditible that for many months, Verizon has agreed that Mpower pay, not from the inaccurate Verizon bills but according to a formula based upon the number of lines Mpower

orders and reports to Verizon. Thus, someone at Verizon jumped to the erroneous conclusion that Mpower was in arrears and without adequate investigation of the issue, sent a letter threatening to terminate services to Mpower in less than 72 hours.

Unfortunately, this is an all too typical ILEC scenario. ILECs do not need additional means to extort monies from CLECs, especially those that are paying their bills.

Sincerely,



Marilyn H. Ash  
Counsel – Legal & Regulatory Affairs

- c. William Mahr, Wireline Competition Bureau Chief
- c. Christopher Libertelli, Legal Advisor
- c. Dan Gonzalez, Legal Advisor
- c. Jordan Goldstein, Advisor
- c. Matthew Brill, Advisor
- c. Marlene H. Dortch, Secretary (2 copies)

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September 17, 2002

**VIA FACSIMILE AND US MAIL**

Jonathan F. Linker  
Shearman & Sterling  
599 Lexington Avenue  
New York, New York 10022

Re: In re Mpower Holding Corporation, et al.; Jointly Administered under Chapter 11  
Case No. **02-1 1046 (D. Del.)**

Dear Jonathan:

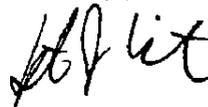
As you know, this firm serves as counsel to the operating telephone company subsidiaries of Verizon Communications Inc. ("Verizon") in connection with the above-referenced bankruptcy cases.

I write on behalf of Verizon to demand that Mpower Holding Corporation **and** Mpower Communications Corp. (collectively "Mpower") pay Verizon's post-petition utility invoices. Currently, Mpower **owes** past-due amounts to Verizon totaling **\$3,497,943.26** for post-petition utility services. Enclosed is a listing of the specific accounts and the amounts owed on each account.

If Mpower fails to **wire transfer** all past-due **amounts** to Verizon **by 5:00 p.m.** on Friday, September 20, 2002, Verizon will seek to enforce its rights **arising from** Mpower's failure to pay post-petition utility invoices, including, without limitation, termination of **services**.

I trust that Mpower will conduct itself accordingly.

Sincerely yours,



Heath J. Vicente

cc: Ms. Carolyn Keith (via facsimile)  
Frank N. White, Esq.

## Mpower Communications Corp. Post-Petition\$

Area	State	ACNA	Service Type	BAN	Invoice #	Post-Petition\$ Owed
West	AZ	NVE	Access	N36HP11000105	02145	256.74
West	AZ	NVE	Access	N36HP11000105	02176	8.39
West	AZ	NVE	Access	N36HP11000105	02206	239.26
West	CA	NVE	Access	C11HMA3591109	02109	25,782.35
West	CA	NVE	Access	C11HMA3591109	02139	0.00
West	CA	NVE	Access	C11HMA3922110	02109	0.00
West	CA	NVE	Access	C11HMA3922110	02139	0.00
West	CA	NVE	Access	C11HMA4818110	02109	0.00
West	CA	NVE	Access	C11HMA4818110	02139	0.00
West	CA	NVE	Access	C11HMN5114108	02109	0.00
West	CA	NVE	Access	C11HMN5114108	02139	223.87
West	CA	NVE	Access	C11HMN5114108	02170	223.87
West	CA	NVE	Access	C11HM11003105	02170	0.00
West	CA	NVE	Access	C11HM11003105	02200	66,054.84
West	CA	NVE	Access	C11HM11004105	02170	0.00
West	CA	NVE	Access	C11HM11004105	02200	1,259.01
West	CA	NVE	Access	C11HM11005105	02170	0.00
West	CA	NVE	Access	C11HM11005105	02200	2,996.90
West	CA	NVE	Access	C11HM11006105	02170	0.00
West	CA	NVE	Access	C11HM11006105	02200	175,217.77
West	CA	NVE	Access	C11SM11000105	02200	7,875.09
West	CA	NVE	Access	C11SQ11021106	02179	0.00
West	CA	NVE	Access	C11SQ11021106	02209	0.00
West	CA	NVE	Access	C11SQ11023106	02179	3,233.43
West	CA	NVE	Access	C11SQ11023106	02209	0.00
West	CA	NVE	Access	C11SQ11024106	02179	580.65
West	CA	NVE	Access	C11SQ11024106	02209	19,117.66
West	CA	NVE	Access	C11SQ11025106	02209	75,666.65
West	CA	NVE	Access	C11SQ21029105	02179	786.68
West	CA	NVE	Access	C11SQ21025105	02209	0.00
West	CA	NVE	Access	C11SQ21030105	02179	860.21
West	CA	NVE	Access	C11SQ21030105	02209	5,120.50
West	CA	NVE	Access	C11UQ11001105	02179	0.00
West	CA	NVE	Access	C11UQ11001105	02209	0.00
West	CA	NVE	Access	C11UQ11002105	02148	0.00
West	CA	NVE	Access	C11UQ11002105	02179	0.00
West	CA	NVE	Access	C11UQ11002105	02209	76.51
West	CA	NVE	Access	C11UQ21000105	02209	682,839.66
West	CA	NVE	Access	C11UQ21001105	02200	71,078.62
West	CA	NVE	Access	C11VM11002105	02170	4,405.15
West	CA	NVE	Access	C11VM11003105	02200	21,731.55
West	CA	NVE	Access	C11VM11004105	02170	0.00
West	CA	NVE	Access	C11VM11004105	02200	0.00
West	CA	NVE	Access	C11VM11005105	02200	78,593.97
West	CA	NVE	Access	C11VQ21004105	02209	347,456.92
West	CA	NVE	Access	C113M11002105	02170	915.76
West	CA	NVE	Access	C114M11002105	02200	43,256.13
West	CA	NVE	Access	N31HPN5142108	02115	0.00

## Mpower Communications Corp. Post-Petition \$

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Area	State	ACNA	Service Type	BAN	Invoice #	Post-Petition \$ Owed
West	CA	NVE	Access	N31HP11001105	02145	7,975.67
West	CA	NVE	Access	N31HP11001105	02176	0.00
West	CA	NVE	Access	N31HP11001105	02206	6,156.14
West	CA	NVE	Access	N31VM21000105	02139	0.00
West	CA	NVE	Access	N31VM21000105	02170	(62.51)
West	CA	NVE	Access	N31VM21000105	02200	0.00
West	CA	NVE	Collocation	C112M11001105	02170	(9,344.00)
West	CA	NVE	Collocation	C112M11001105	02200	(0.00)
West	CA	NVE	Collocation	C112M11002105	02170	0.00
West	CA	NVE	Collocation	C112M11002105	02200	0.00
West	CA	NVE	Collocation	C112M11003105	02170	0.00
West	CA	NVE	Collocation	C112M11003105	02200	0.00
West	CA	NVE	Collocation	C112Q11000105	02179	26,077.62
West	CA	NVE	Collocation	C112Q11000105	02209	7,112.08
West	CA	NVE	Collocation	C112Q11003105	02148	0.00
West	CA	NVE	Collocation	C112Q11003105	02179	0.00
West	CA	NVE	Collocation	C112Q11003105	02209	0.00
West	CA	NVE	Misc B&C	NA	05642SVCAG10205	0.00
West	CA	NVE	Misc B&C	NA	05642SVCAG10206	0.00
West	CA	NVE	Misc B&C	NA	05642SVCAG10207	0.00
West	CA	NVE	Misc B&C	NA	05642SVCAG10208	158,518.52
West	CA	NVE	Recip Comp	8322L2319	101020012	(126,587.88)
West	CA	NVE	Recip Comp	8322L2319		(180,807.55)
West	CA	NVE	Recip Comp	8322L2319		(192,656.39)
West	CA	NVE	Recip Comp	8322L2319		(206,239.96)
West	CA	NVE	Resale/UNE	8181972768	NA	6,303.62
West	CA	NVE	Resale/UNE	8181972768	NA	5,833.58
West	CA	NVE	Resale/UNE	8181972768	NA	94.55
West	CA	NVE	Resale/UNE	8181972768	NA	(11,955.14)
West	CA	NVE	Resale/UNE	8181973563	NA	15,596.54
West	CA	NVE	Resale/UNE	8181973563	NA	15,414.04
West	CA	NVE	Resale/UNE	8181973565	NA	22,115.06
West	CA	NVE	Resale/UNE	8181973565	NA	1,671,813.94
West	CA	NVE	Resale/UNE	8181978339	NA	4,093.91
West	CA	NVE	Resale/UNE	8181978339	NA	4,327.59
West	CA	NVE	Resale/UNE	8181978339	NA	61.49
West	CA	NVE	Resale/UNE	8181978339	NA	(8,421.50)
West	CA	NVE	Resale/UNE	8181978340	NA	3,503.63
West	CA	NVE	Resale/UNE	8181978340	NA	3,385.35
West	CA	NVE	Resale/UNE	8181978340	NA	52.55
West	CA	NVE	Resale/UNE	8181978340	NA	6,992.31
West	CA	NVE	Resale/UNE	8181978341	NA	1,970.88
West	CA	NVE	Resale/UNE	8181978341	NA	2,071.02
West	CA	NVE	Resale/UNE	8181978341	NA	29.54
West	CA	NVE	Resale/UNE	8181978341	NA	(3,981.27)
West	CA	NVE	Resale/UNE	8131974058	NA	2,545.33
West	CA	NVE	Resale/UNE	8131974058	NA	2,256.37
West	CA	NVE	Resale/UNE	8131974060	NA	226,906.53

## Mpower Communications Corp. Post-Petition \$

Area	State	ACNA	Service Type	BAN	Invoice #	Post-Petition\$ Owed
West	CA	NVE	Resale/UNE	8131374060	NA	8,840.92
					Sub-Total	3,105,850.72
West	FL	NVE	Access	F11HF11001105	02127	0.00
West	FL	NVE	Access	F11HF11001105	02158	0.00
West	FL	NVE	Access	F11HF11001105	02188	0.00
West	FL	NVE	Access	F11HF11001105	02219	8,184.97
West	FL	NVE	Access	F11SQ11008105	02148	0.00
West	FL	NVE	Access	F11SQ11008105	02179	0.00
West	FL	NVE	Access	F11SQ11008105	02209	0.00
West	FL	NVE	Access	F11SQ11009105	02148	0.00
West	FL	NVE	Access	F11SQ11009105	02179	0.00
West	FL	NVE	Access	F11SQ11009105	02209	0.00
West	FL	NVE	Access	F11SQ11010105	02148	0.00
West	FL	NVE	Access	F11SQ11010105	02179	0.00
West	FL	NVE	Access	F11SQ11010105	02209	0.00
West	FL	NVE	Access	F11SQ11011105	02148	0.00
West	FL	NVE	Access	F11SQ11011105	02179	0.00
West	FL	NVE	Access	F11SQ11011105	02209	0.00
West	FL	NVE	Access	F11VF11001105	02158	0.00
West	FL	NVE	Access	F11VF11001105	02188	0.00
West	FL	NVE	Access	F11VF11001105	02219	468.00
West	FL	NVE	Access	F113F11001105	02158	0.00
West	FL	NVE	Access	F113F11001105	02188	0.00
West	FL	NVE	Access	F113F11001105	02219	0.00
West	FL	NVE	Access	F114F11001105	02158	0.00
West	FL	NVE	Access	F114F11001105	02188	0.00
West	FL	NVE	Access	F114F11001105	02219	2,335.00
West	FL	NVE	Collocation	F112H11000105	02133	127,513.71
West	FL	NVE	Collocation	F112H11000105	02164	56,731.71
West	FL	NVE	Collocation	F112H11000105	02194	49,040.74
West	FL	NVE	Misc B&C	NA	05642SVFLG10205	0.00
West	FL	NVE	Misc B&C	NA	05642SVFLG10206	0.00
West	FL	NVE	Misc B&C	NA	05642SVFLG10207	0.00
West	FL	NVE	Misc B&C	NA	05642SVFLG10208	6,454.26
West	FL	NVE	Recip Comp	8592L0328	101020014	(6,646.35)
West	FL	NVE	Recip Comp	8592L0328		(9,514.58)
West	FL	NVE	Resale/UNE	8131972324	NA	5.11
West	FL	NVE	Resale/UNE	8131972324	NA	3.84
West	FL	NVE	Resale/UNE	8131972324	NA	3.84
West	FL	NVE	Resale/UNE	8131972324	NA	6.97
West	FL	NVE	Resale/UNE	8131972324	NA	(5.13)
West	FL	NVE	Resale/UNE	8131972412	NA	1,998.19
West	FL	NVE	Resale/UNE	8131972412	NA	1,533.75
West	FL	NVE	Resale/UNE	8131972412	NA	1,616.80
West	FL	NVE	Resale/UNE	8131972412	NA	22.89
West	FL	NVE	Resale/UNE	8131972412	NA	(3,173.44)
West	FL	NVE	Resale/UNE	8131972741	NA	1,910.76

## Mpower Communications Corp. Post-Petition \$

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Area	State	ACNA	Service Type	BAN	Invoice #	Post-Petition \$ Owed
West	FL	NVE	Resale/UNE	8131972741	NA	472.19
West	FL	NVE	Resale/UNE	8131972741	NA	472.19
West	FL	NVE	Resale/UNE	8131972741	NA	472.19
West	FL	NVE	Resale/UNE	8131972741	NA	(472.19)
West	FL	NVE	Resale/UNE	8131972829	NA	150,268.31
West	FL	NVE	Resale/UNE	8131972829	NA	144,084.45
West	FL	NVE	Resale/UNE	8131972829	NA	152,039.38
West	FL	NVE	Resale/UNE	8131972829	NA	2,990.94
West	FL	NVE	Resale/UNE	8131972829	NA	(297,157.76)
					<b>Sub-Total</b>	<b>391,660.74</b>
East (N)	NY	NVE	Access	716M910015968	02072-NY	114.40
East (N)	NY	NVE	Access	716M910015968	02103-NY	(197.24)
East (N)	NY	NVE	Access	716M910015968	02133-NY	(182.54)
East (N)	NY	NVE	Access	716M910015968	02164-NY	(10.64)
East (N)	NY	NVE	Access	716M910015968	02194-NY	707.82
					<b>Sub-Total</b>	<b>431.80</b>
					<b>Grand Total</b>	<b>3,497,943.26</b>