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March 11, 2003

EX PARTE

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Portals II, TW-A325
Washington, D.C. 20554

Re: Application by Verizon Maryland, Verizon Washington, DC and Verizon West Virginia for Authorization to Provide In-Region, InterLATA Services in the States of Maryland, Washington, D.C. and West Virginia
WC Docket No. 02-384

Dear Ms. Dortch:

On February 14, 2003, CloseCall America, Inc. ("CloseCall") submitted Reply Comments regarding Verizon's anti-competitive practices and actions in Maryland. Metro Teleconnect Companies, Inc. ("Metro Teleconnect"), a competitive local exchange carrier operating in the three states that are the subject of the above-referenced application, fully agrees with CloseCall that Verizon is abusing its position as monopoly provider of wholesale services to block the efforts of competitive carriers attempting to provide service in Maryland. *See* Close Call Reply Comments (Feb. 14, 2003), Attachment 1 at 10.[1]

The record in this proceeding is replete with evidence of Verizon's discriminatory, anti-competitive, and even unlawful practices. *See, for example,* Comments of National ALEC Association/Prepaid Communications Association ("NALA/PCA") (Jan. 9, 2003) (discussing both Verizon's anticompetitive billing practices and its unlawful refusal to

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[1] Attachment 1 is the Public Version of the January 31, 2003 Supplemental Testimony of Thomas E. Mazerski in MPSC Case No. 8927, *In the Matter of the Complaint of CloseCall America, Inc. v. Verizon Maryland Inc.* Filed simultaneously with CloseCall's Reply Comments was its *Motion to Accept as Timely Filed its Reply Comments on Verizon's 271 Application for Maryland, Washington, D.C. and West Virginia* and proposed order.

resell its residential directory assistance service). Despite Verizon's efforts to divert the Commission's attention from its practices, the significance of the record before the Commission is clear: Verizon consistently engages in behavior intended to thwart and hobble its competitors, to the ultimate disadvantage of Maryland consumers.

Surprisingly, Verizon has remained abusive to its competitors during the Section 271 process. Despite the pendency of its application, Verizon has not modified its anticompetitive practices; if anything, it has become even more difficult to work with. *See* Ex Parte of NALA/PCA (Feb. 13, 2003) (discussing Verizon's refusal to negotiate billing disputes and its threatened embargo or termination of Metro's service). There is neither any indication nor any basis for the Commission to conclude that Verizon will reform once relief is granted.

Under the statutory framework, the Commission may not grant Verizon Section 271 relief unless it finds that Verizon has satisfied a three part test, including a public interest analysis. *See* 47 U.S.C. § 271(d)(3)(A)-(C). In this case, the record establishes that Verizon-Maryland fails to satisfy two parts of that test: the competitive checklist and the public interest analysis. The Commission therefore should deny Verizon's application. A premature grant of authority not only violates the Act, it eliminates any incentive that may remain for Verizon to modify its practices and begin engaging in a nondiscriminatory, pro-competitive manner.

Please feel free to contact the undersigned should you have any questions regarding this ex parte.

Sincerely,

Glenn S. Richards
Susan M. Hafeli

cc: G. Cohen, Federal Communications Commission
G. Gooke, Federal Communications Commission
G. Remondino, Federal Communications Commission
V. Schlesinger, Federal Communications Commission
D. Laub, Maryland Public Service Commission
J. Nichols, U.S. Department of Justice
A. Berkowitz, Verizon