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Ex Parte

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

Re: Verizon Telephone Companies Section 63.71 Application to Discontinue Expanded Interconnection Service Through Physical Collocation, WC Docket No. 02-237

Dear Ms. Dortch:

In response to recent questions from the Commission, Verizon submits the following information.

Upon approval of Verizon's section 214 petition to discontinue providing Expanded Interconnection through physical collocation in its federal tariffs, Verizon will continue to provide supporting services to all federal Expanded Interconnection service physical collocation arrangements that are existing or in progress at that time under the terms and conditions contained in its Network Interconnection/Miscellaneous Network Service state tariffs or applicable interconnection agreements. Continuance of support for these physical collocation arrangements will not be contingent on the customer's ability to qualify for physical collocation under the state tariffs. (For example, if a customer was physically collocated under Expanded Interconnection Service but did not qualify for physical collocation under the terms and conditions contained in the Network Interconnection/Miscellaneous Network Service state tariffs, Verizon will continue to provide supporting services for that arrangement pursuant to contract under the same terms and conditions as the state tariff for as long as that arrangement remains in service.) Currently, all the customers that are physically collocated under the Verizon East federal tariffs are telecommunication carriers. For new collocation arrangements, customers will be able to purchase Expanded Interconnection Service by ordering virtual collocation which will continue to be provided under Verizon's FCC #1 and FCC# 11 tariffs.

In an ex parte filed by Time Warner Telecom Corporation ("TWTC") on December 20, 2002, TWTC expressed concern that current state and federal tariffs include different fuse requirements. TWTC stated that it could be charged by Verizon for work and facilities associated with fuse changes needed only as a result of the transition from the federal to state tariffs. In discussions with Verizon,

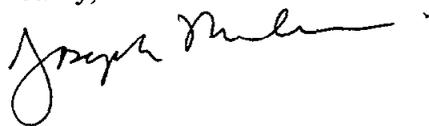
Verizon representatives stated that, even if some fuse changes are needed as a result of the transition, Verizon would not charge collocators for work or facilities associated with fuse changes performed by Verizon as part of the transition to the state tariffs. The following example was given. TWTC is currently fused at 60 amps on each feed for physical collocation arrangements purchased under Verizon's federal tariff. With a total load requirement of 40 amps (split with 20 amps on each feed), TWTC would be entitled under the state tariffs to a maximum fuse capacity of 50 amps on each feed (*i.e.*, 2.5 times the ordered load on each feed). Based on statements made by Verizon representatives, TWTC understands that if Verizon physically changes the existing fuses from 60 amps to 50 amps, Verizon will not bill charges for such changes. Verizon wishes to make clear that TWTC's understanding is correct and that charges will not be billed for fuse changes resulting solely from the rate structure changes in moving from the federal to the state collocation tariffs.

In an ex parte filed by Verizon on March 31, 2003, Verizon stated that a credit proposal would be offered to collocators who choose to convert to the state tariffs in the Verizon South states. The credit is based on the difference between the federal nonrecurring charge and the approved state nonrecurring charge. Below is the chart for the South credits that will be filed in the tariff for eligible arrangements that are converted within 30 days of the tariff effective date.

	Annual Credit Amount	Lump Sum Credit Amount
Physical <= 100 sq. ft.	\$2,106	\$14,951
Physical 101-200 sq. ft.	\$1,048	\$7,441
Physical 201-300 sq. ft.	\$0	\$0
Physical >= 301 sq. ft.	\$0	\$0
SCOPE	\$430	\$3,052

Conversion credits will not be offered for New York and Connecticut, because the collocation tariffs in those states recover the up-front space preparation costs through monthly recurring charges rather than through one-time nonrecurring charges. Verizon New York's collocation tariffs for Connecticut mirror its New York state tariffs. *See, e.g.*, Connecticut Docket 99-05-30, dated December 23, 2000, ("NYTel shall file proposed amendments to its Connecticut collocation tariff with the Department no later than 10 business days following NYPSC approval.").

Sincerely,



cc: J. McKee
 J. Nitsche
 J. Lichford
 N. Uri
 G. Gold