

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

**Notice of Verizon Voluntary Payments Pursuant to Merger Condition  
CC Docket No. 98-184  
July 27, 2004**

In the *Bell Atlantic/GTE Merger Order* the Commission adopted a carrier-to-carrier performance plan that requires Verizon to make payments to the United States Treasury should it fail to meet certain performance standards.<sup>1</sup> Specifically, Verizon makes payments if its performance on a given measurement is below the relevant standard for three consecutive months or six of twelve months in a calendar year.<sup>2</sup>

Verizon has made the following payments:

<u>Month of Payment</u>	<u>Performance Months</u>	<u>Amount of Payment</u>
August 2001	April 2001 through June 2001	\$1,522,334
September 2001	May 2001 through July 2001	\$1,526,717
October 2001	June 2001 through August 2001	\$ 225,136 <sup>3</sup>
November 2001	July 2001 through September 2001	\$ 841,294
December 2001	August 2001 through October 2001	\$ 931,386 <sup>4</sup>
January 2002	September 2001 through November 2001	\$ 961,419 <sup>5</sup>
February 2002	October 2001 through December 2001	\$ 462,669 <sup>6</sup>
March 2002	November 2001 through January 2002	\$ 922,667 <sup>7</sup>

<sup>1</sup> Applications of 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, CC Docket No. 98-184, *Memorandum Opinion and Order*, 15 FCC Rcd 14032, Appendix D, Attachment A (2000) (*Bell Atlantic/GTE Merger Order*).

<sup>2</sup> *Id.*

<sup>3</sup> Verizon states that the \$225,136 payment represents “a payment of \$937,572 for the metrics missed during the performance months of June, July, and August 2001 adjusted for overpayments in August and September resulting from the use of a payment calculation methodology that was not precisely consistent with the methodology specified in the Merger Order, Appendix D, Attachment A.” Letter from Dee May, Assistant Vice President, Federal Regulatory, Verizon, to Magalie Roman Salas, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Oct. 30, 2001).

<sup>4</sup> Verizon states that the \$931,386 represents a gross amount of \$938,235 less a true-up for a \$6,849 overpayment resulting from corrected April 2001 data. See Letter from Dee May, Assistant Vice President, Federal Regulatory, Verizon, to Magalie Roman Salas, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Dec. 28, 2001).

<sup>5</sup> Verizon states that the \$961,419 includes a true-up for \$37,756 resulting from corrected May 2001 data. See Letter from Dee May, Assistant Vice President, Federal Regulatory, Verizon, to Magalie Roman Salas, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Jan. 31, 2002).

<sup>6</sup> Verizon states that the \$462,669 represents a gross amount of \$427,875 plus a true-up for \$34,794 underpayment resulting from corrected June 2001 data. See Letter from Dee May, Assistant Vice President, Federal Regulatory, Verizon, to Magalie Roman Salas, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Mar. 1, 2002).

<sup>7</sup> Verizon states that the \$922,667 represents a gross amount of \$760,299 increased by a true-up for \$162,368 underpayment resulting from the corrected June and July data and from “an adjustment to correct an inconsistency in the calculation of the state plan offset amount for the November performance month.” See Letter from Dee May, Assistant Vice President, Federal Regulatory, Verizon, to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Mar. 29, 2002).

<u>Month of Payment</u>	<u>Performance Months</u>	<u>Amount of Payment</u>
April 2002	December 2001 through February 2002	\$ 844,818 <sup>8</sup>
May 2002	January 2002 through March 2002	\$ 860,948 <sup>9</sup>
June 2002	February 2002 through April 2002	\$ 386,773 <sup>10</sup>
July 2002	March 2002 through May 2002	\$ 695,860 <sup>11</sup>
August 2002	April 2002 through June 2002	\$ 651,302 <sup>12</sup>
September 2002	May 2002 through July 2002	\$ 881,658 <sup>13</sup>
October 2002	June 2002 through August 2002	\$ 429,455 <sup>14</sup>
November 2002	July 2002 through September 2002	\$ 232,519 <sup>15</sup>
December 2002	August 2002 through October 2002	\$ 192,303 <sup>16</sup>
January 2003	September through November 2002	\$ 248,278 <sup>17</sup>
February 2003	October 2002 through December 2002	\$ 557,453 <sup>18</sup>

<sup>8</sup> Verizon states that the \$844,818 represents the gross amount of \$975,825 less a true-up of \$131,007 for overpayment resulting from corrected August 2001 data. *See* Letter from Dee May, Assistant Vice President, Federal Regulatory, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed April 30, 2002).

<sup>9</sup> Verizon states that the \$860,948 represents a gross payment of \$1,021,855, less a true-up of \$160,907 overpayment resulting from corrected September 2001 data. *See* Letter from Dee May, Assistant Vice President, Federal Regulatory, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed May 31, 2002).

<sup>10</sup> Verizon states that the 386,773 represents a gross payment of \$405,720, less a true-up of \$18,947 for overpayment resulting from corrected October 2001 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed July 2, 2002).

<sup>11</sup> Verizon states that the \$695,860 represents a gross payment of \$691,301, plus a true-up for a \$4,559 underpayment resulting from corrected November 2001 data. *See* Letter from Clint Odom, Director, Federal Regulatory, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Jul. 30, 2002).

<sup>12</sup> Verizon states that the \$651,302 represents a gross payment of \$665,404, less a true-up of \$14,102 for overpayment resulting from corrected December 2001 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Aug. 30, 2002).

<sup>13</sup> Verizon states that the \$811,658 represents a gross payment of \$662,744, plus a true-up of \$148,914 for underpayment resulting from corrected January 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Oct. 1, 2002).

<sup>14</sup> Verizon states that the \$429,455 represents a gross payment of \$356,758, plus a true-up of \$72,697 for underpayment resulting from corrected February 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Oct. 31, 2002).

<sup>15</sup> Verizon states that the \$232,519 represents a gross payment of 238,149, less a true-up of \$5,630 for overpayment resulting from corrected March 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Dec. 2, 2002).

<sup>16</sup> Verizon states that the \$192,303 represents a gross payment of \$214,732 (for metrics missed during the months of August, September and October, 2002, and also for metrics missed six or more months during performance year 2), minus a true-up of \$22,429 for overpayment resulting from corrected April 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Dec. 31, 2002).

<sup>17</sup> Verizon states that the \$248,278 represents a gross payment of \$271,212, less a true-up of \$22,934 for overpayment resulting from corrected May 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Jan. 28, 2003).

<u>Month of Payment</u>	<u>Performance Months</u>	<u>Amount of Payment</u>
March 2003	November 2002 through January 2003	\$ 284,274 <sup>19</sup>
April 2003	December 2002 through February 2003	\$ 296,109 <sup>20</sup>
May 2003	January 2003 through March 2003	\$ 266,172 <sup>21</sup>
June 2003	February 2003 through April 2003	\$ 272,186 <sup>22</sup>
July 2003	March 2003 through May 2003	\$ 189,891 <sup>23</sup>
August 2003	April 2003 through June 2003	\$ 178,103 <sup>24</sup>
September 2003	May 2003 through July 2003	\$ 189,197 <sup>25</sup>
October 2003	June 2003 through August 2003	\$ 177,568 <sup>26</sup>
November 2003	July 2003 through September 2003	\$ 198,946 <sup>27</sup>
December 2003	August 2003 through October 2003	\$ 259,123 <sup>28</sup>

<sup>18</sup> Verizon states that the \$55,543 represents a gross payment of \$574,144, less a true-up of \$16,601 for overpayment resulting from corrected June 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager, Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed March 3, 2003); Letter from Ann. D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed March 4, 2003); Letter from Ann. D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed March 6, 2003).

<sup>19</sup> Verizon states that the \$284,274 represents a gross payment of \$312,425, less a true-up of \$28,151 resulting from corrected July 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed March 27, 2003).

<sup>20</sup> Verizon states that the \$296,109 represents a gross payment of \$306,217, less a true-up of \$10,108 resulting from corrected August 2002 data. *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Apr. 25, 2003).

<sup>21</sup> Verizon states that the \$266,172 represents the voluntary payment for metrics missed during the performance months of January 2003 through March 2003 and for metrics missed six or more months during Performance Year 2. *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed May 30, 2003).

<sup>22</sup> Verizon states that the payment includes \$253,257 for metrics missed during the months February through April 2003, which was calculated without applying a 100% cap to measurements reported as averages or means, and includes an additional \$18,929 for revisions to the payments made from June 25, 2002 through May 27, 2003, resulting from removal of the 100% cap in the calculations of those payments. *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Jun. 30, 2003); *Applications of 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*, CC Docket No. 98-184, DA 03-1736 (rel. May 20, 2003).

<sup>23</sup> *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed July 25, 2003).

<sup>24</sup> *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Aug. 28, 2003).

<sup>25</sup> *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Sept. 30, 2003).

<sup>26</sup> *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Oct. 28, 2003).

<sup>27</sup> *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Dec. 1, 2003).

<sup>28</sup> *See* Letter from Ann D. Berkowitz, Project Manager – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Dec. 30, 2003).

<u>Month of Payment</u>	<u>Performance Months</u>	<u>Amount of Payment</u>
January 2004	September 2003 through November 2003	\$ 361,328 <sup>29</sup>
February 2004	October 2003 through December 2003	\$ 388,418 <sup>30</sup>
March 2004	November 2003 through January 2004	\$ 278,600 <sup>31</sup>
April 2004	December 2003 through February 2004	\$ 316,383 <sup>32</sup>
May 2004	January 2004 through March 2004	\$ 309,126 <sup>33</sup>
June 2004	February 2004 through April 2004	\$ 402,147 <sup>34</sup>
July 2004	March 2004 through May 2004	\$ 208,882 <sup>35</sup>

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<sup>29</sup> See Letter from Ann D. Berkowitz, Associate Director – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Jan. 27, 2004).

<sup>30</sup> See Letter from Ann D. Berkowitz, Associate Director – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Mar. 1, 2004).

<sup>31</sup> See Letter from Ann D. Berkowitz, Associate Director – Federal Regulatory Advocacy, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Mar. 29, 2004).

<sup>32</sup> See Letter from Ann D. Berkowitz, Associate Director – Federal Regulatory Advocacy, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Apr. 27, 2004).

<sup>33</sup> See Letter from Ann D. Berkowitz, Associate Director – Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed May 27, 2004).

<sup>34</sup> See Letter from Ann D. Berkowitz, Associate Director – Federal Regulatory Advocacy, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Jun. 28, 2004).

<sup>35</sup> See Letter from Ann D. Berkowitz, Associate Director – Federal Regulatory Advocacy, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 98-184 (filed Jul. 26, 2004).