

ATTACHMENT 10

**DECLARATION OF JOHN J. LACK AND
ROBERT F. PILGRIM**

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

In the Matter of)	
)	
Verizon Communications Inc. and)	
MCI, Inc.)	WC Docket No. 05-75
Applications for Approval of)	
Transfer of Control)	

**DECLARATION OF
JOHN J. LACK AND ROBERT F. PILGRIM**

We, John J. Lack and Robert F. Pilgrim, declare as follows:

1. My name is John J. Lack. I am employed by Verizon as Senior Vice President – Verizon International Operations. My responsibilities include overseeing Verizon’s international operations in the areas of wireline, wireless, advanced communications and internet protocol, information technology, operations and engineering, and marketing and sales. I have more than 25 years experience in the telecommunications industry, including nearly 10 years in international operations.

2. My name is Robert F. Pilgrim. I am employed by Verizon as Vice President – Global Network Solutions. My responsibilities include planning, engineering, construction, and implementation of Verizon’s long distance and national data backbone network. In addition, I am responsible for selection and management of Verizon’s vendors related to Verizon’s long distance network, including carriers whose international services Verizon resells.

3. The purpose of our declaration is to describe Verizon’s limited backbone and international long distance operations. First, we describe the limited nature of

Verizon's international long distance operations, including Verizon's modest interests in submarine cable facilities and cable landing stations at the foreign end of U.S.-international routes. Next, we describe Verizon's limited U.S. long distance network and its limited IP backbone network. These networks have been constructed to serve Verizon's local voice and broadband products and services, and have a very limited presence outside the Northeast and Mid-Atlantic regions.

Verizon's International Long Distance Operations and Submarine Cable Interests

4. Verizon offers international long distance services to end users in the United States through various subsidiaries and affiliates.¹ Verizon provides these services primarily to mass-market customers within its in-region service areas by reselling service from other carriers. Verizon provides a *de minimis* amount of international long-distance service to large enterprises and medium-sized businesses. In addition, CODETEL International Communications Incorporated ("CIC") offers prepaid calling cards principally for calls from the United States to the Dominican Republic and to Venezuela, and provides traffic aggregation principally for calls to the Dominican

¹ These subsidiaries and affiliates are: Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance ("VLD"); NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions ("VES"); Verizon Global Solutions Inc. ("VGSI"); Verizon Select Services Inc. ("VSSI") (VSSI and VGSI merged on Mar. 1, 2005); Verizon Airfone Inc. (formerly GTE Airfone Incorporated); Cellco Partnership d/b/a Verizon Wireless; CODETEL International Communications Inc. ("CIC"); PRT Larga Distancia, Inc.; Verizon Hawaii International Inc. ("VHI"); and GTE Pacifica Incorporated d/b/a Verizon Pacifica ("Verizon Pacifica"). The Commission has granted approval for the transfer of control of Verizon Pacifica and its Section 214 licenses to Pacific Telecom, Inc. See *Bell Atlantic New Zealand Holdings, Inc., Transferor and Pacific Telecom Inc., Transferee Applications for Consent to Transfer Control of a Submarine Cable Landing License, International and Domestic Section 214 Authorizations, a Cellular Radiotelephone License, Common Carrier and Non-Common Carrier Satellite Earth Station Licenses, and a Petition for Declaratory Ruling Pursuant to Section 310(b)(4) of the Communications Act*, Order and Authorization, 18 FCC Rcd 23140 (2003).

Republic. CIC's calling cards are sold through distributors, and its portion of outgoing U.S.-international minutes is *de minimis*.

5. Verizon is "affiliated" with "foreign carriers," as those terms are defined in Section 63.09 of the FCC's rules, in the following countries: Belgium, Dominican Republic, France, Germany, Gibraltar, Hong Kong, Ireland, Italy, Japan, Netherlands, Singapore, Spain, Switzerland, the United Kingdom, and Venezuela.

6. Verizon is affiliated with only three foreign carriers that the Commission classifies as dominant. Those carriers, and the countries in which they operate, are Compañía Anónima Nacional Teléfonos de Venezuela ("CANTV") (Venezuela), Verizon Dominicana C. por A. ("Verizon Dominicana") (the Dominican Republic), and Gibtelecom Limited ("Gibtelecom") (Gibraltar). All of the other foreign carriers affiliated with Verizon are classified as non-dominant and hold significantly less than a 10 percent share of the local access and international transport markets in their respective countries.

7. Verizon's foreign carrier affiliates Verizon Dominicana and CANTV, and a number of wholly-owned subsidiaries in Asia and Europe which are part of a group of companies referred to herein as Verizon Global Solutions ("VGS"),² hold ownership

² The VGS companies are Verizon Hawaii International Inc., GTE Far East (Services) Limited, Verizon Global Solutions Holdings V Limited, d/b/a Verizon Global Solutions Japan, Verizon Global Solutions U.K. Ltd., Verizon Global Solutions France S.A.S, Verizon Global Solutions Germany GmbH, Verizon Global Solutions Netherlands B.V., Verizon Global Solutions Belgium B.V.B.A, Verizon Global Solutions Italy S.r.l., Verizon Global Solutions Spain S.r.l., and Verizon Global Solutions Holdings II Ltd. During early 2005 Verizon attempted to sell the international network assets of the VGS companies, including the submarine cable ownership interests held by VGS. Verizon contacted over 30 potential purchasers, and received no bids for the assets. Verizon is currently considering whether to cease operating these assets.

interests in certain submarine cables. As described below, and as shown on Exhibit 1, these interests comprise only a small percentage of the total available capacity on the routes served by these cables.

8. For the year 2003, the FCC reports that there were 14 international submarine cables in the Americas region, with a total capacity of 3,167,640 voice-grade equivalent (*i.e.*, 64 Kbps) circuits.³ Verizon Dominicana, CANTV, and VGS hold ownership interests in 8 of those 14 cables. In the aggregate, the ownership interests of these three companies amount to less than 2 percent of total available capacity.⁴ *See* Exhibit 1.

9. In the Atlantic Ocean Region, the FCC reports there were 13 international submarine cables with a total capacity of 27,157,410 voice-grade equivalent circuits.⁵ Verizon Dominicana, CANTV, and VGS hold ownership interests in 3 of the 13 submarine cables that land in the United States. In the aggregate, the ownership interests of these three companies amount to less than 1 percent of total available capacity. *See* Exhibit 1.

10. In the Pacific Ocean Region, there were 11 international submarine cables for a total capacity of 12,740,490 voice-grade equivalent circuits.⁶ VGS holds ownership

³ FCC, 2003 Section 43.82 Circuit Status Report at Table 7 (Dec. 2004), *available at* <http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-255737A1.pdf> (“2003 Circuit Status Report”).

⁴ Verizon’s calculation of its ownership percentages and the total cable capacity in the Americas and other cable regions is explained in Exhibit 1.

⁵ *2003 Circuit Status Report* at Table 7. These figures do not include the Gemini cable, which recently was retired.

⁶ *Id.* These figures do not include the TPC-4 and PacRimWest cables, which were recently retired.

interests in 3 of the 11 submarine cables that land in the U.S., which amount to less than 1 percent of total available capacity. *See* Exhibit 1. Verizon Dominicana and CANTV do not hold ownership interests in submarine cables in the Pacific Ocean Region.

11. Verizon's foreign carrier affiliate in Venezuela, CANTV, holds ownership interests in four submarine cables with landing points in the U.S. and in Venezuela, which amount to less than five percent of the total available capacity on this route. *See* Exhibit 2.

12. Verizon's foreign carrier affiliate in the Dominican Republic, Verizon Dominicana, holds ownership interests in two submarine cables with landing points in the U.S. and in the Dominican Republic, which amount to less than five percent of the total available capacity on this route. *See* Exhibit 3.

13. CANTV and Verizon Dominicana hold interests in cable landing stations in Venezuela and the Dominican Republic, respectively. CANTV owns and manages the following cable landing stations:

ARCOS 1: Landing Station located at Punto Fijo, Estado Falcon, Venezuela

PANAMERICAN: Landing Station located at Punto Fijo, Estado Falcon, Venezuela

AMERICAS I: Landing Station located at Camuri, Estado Vargas, Venezuela

AMERICAS II: Landing Station located at Camuri, Estado Vargas, Venezuela

Verizon Dominicana owns and manages the following cable landing stations:

ARCOS 1: Landing Station located at Puerto Plata, Dominican Republic

Antillas 1: Landing Station located at Santo Domingo, Dominican Republic

14. There are no international submarine cables with landing points in the U.S. and in Gibraltar. As a result, Verizon's foreign carrier affiliate in Gibraltar, Gibtelecom, does not hold any ownership interests in such cables.

Verizon's U.S. Long Distance Network and IP Backbone Network.

15. Verizon currently completes domestic long distance calls for mass market customers in three different ways. For calls between areas where Verizon's long distance network has a presence in each area, Verizon carries the call over its own long distance network. (Verizon's long distance network is principally comprised of Verizon's own switches and electronics as well as fiber obtained from third parties under 20-year Indefeasible Rights to Use or IRUs.) For calls from areas where Verizon's long distance network has a presence, but are terminating to areas where Verizon's network does not have a presence, Verizon carries the call partly over its own network and partly over another carrier's network. For calls between areas where Verizon's network does not have a presence, Verizon carries the call over another carrier's network through a resale arrangement.

16. Verizon's long distance network is currently concentrated in Verizon's local service areas along with some densely populated areas of the United States that are outside of Verizon's local service area. *See* Exhibit 4. Verizon's network does not currently extend to the other areas of the country.

17. Verizon has its own limited IP backbone network that rides on Verizon's long distance network. *See* Exhibit 5. Verizon's IP backbone network was built to support Verizon's retail Internet access information service and other IP services in the Northeast and Mid-Atlantic regions. It does not have a presence at any of the public

Network Access Points (“NAPs”), including MCI public NAPs, at which many backbones and Internet access providers interconnect. Nor does Verizon’s IP backbone network have any international facilities. Verizon obtains international connectivity through its U.S.-based transit providers.

18. Until 2004, Verizon’s IP backbone network was limited to the Northeast and Mid-Atlantic regions. Last year, Verizon expanded its IP backbone network outside of the Northeast and Mid-Atlantic regions by adding 8 POPs. Verizon currently does not have any plans to add more POPs to its IP backbone network outside of the Northeast and Mid-Atlantic regions. In order for Verizon’s mass market customers to reach all content providers and websites on the Internet, Verizon must purchase transit from larger Internet backbone providers that offer U.S. and international connectivity.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on March 9, 2005

A handwritten signature in cursive script, appearing to read "John Lack", is written over a horizontal line. Below the line, the name "John Lack" is printed in a simple, sans-serif font.

John Lack

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on March 9, 2005

A handwritten signature in black ink, appearing to read "Robert F. Pilgrim", written over a horizontal line. The signature is cursive and stylized.

Robert F. Pilgrim

DECLARATION OF JOHN J. LACK AND
ROBERT F. PILGRIM

EXHIBIT 1

EXHIBIT 1

Verizon's Voting Interests in Submarine Cables Landing in the U.S. and in Foreign Points

AMERICAS REGION

Cable	Capacity (64 Kbps) ¹	CANTV Interest	CANTV Equivalent Lines	VERIZON DOMINICANA Interest	VERIZON DOMINICANA Equivalent Lines	VGS Interest	VGS Equivalent Lines	Equivalent Lines for Verizon for Each Cable ²
Americas I	22,680	16.14%	3661	1.07%	243	0.26%	60	3,964
Americas II	604,800	5.96%	36046	0.06%	363	-----	-----	36,409
Antillas I	15,120	0.44%	67	39.90%	6033	0.20%	30	6,129
Bahamas II	30,240	-----	-----	0.05%	15	-----	-----	15
Maya I	90,720	0.15%	136	0.14%	127	-----	-----	263
Pan American	120,960	4.18%	5056	0.04%	45	-----	-----	5,101
Taino-Carib	45,360	0.16%	73	3.22%	1461	0.13%	60	1,593
ARCOS I	181,440	0.05%	91	0.76%	1379	-----	-----	1,470
<i>Total Verizon Equivalent Lines</i>								54,944
<i>Total Capacity in Region³</i>								3,167,640
Verizon Voting Interest as Percentage of Total Capacity in Region								1.73%

¹ Capacity on each cable is taken from the FCC's 2003 Section 43.82 Circuit Status Data at Table 7 (Dec. 2004), available at <http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-255737A1.pdf> ("2003 Circuit Status Report").

² Verizon has attempted to approximate its capacity on each cable by multiplying its percentage voting interest in the cable by the cable's total capacity (as described in the FCC's 2003 Circuit Status Report). See *Global Crossing Ltd. (Debtor-in-Possession), Transferor and GC Acquisition Limited, Transferee Applications for Consent to Transfer Control of Submarine Cable Landing Licenses, International and Domestic Section 214 Authorizations, and Common Carrier and Non-Common Carrier Radio Licenses, and Petition for Declaratory Ruling Pursuant to Section 310(b)(4) of the Communications Act*, Order and Authorization, 18 FCC Rcd 20301, ¶ 40 (2003).

³ 2003 Circuit Status Report at 33 ("Total Americas" capacity in 2003).

PACIFIC OCEAN REGION

Cable	Capacity (64 Kbps)	CANTV Interest	CANTV Equivalent Lines	VERIZON DOMINICANA Interest	VERIZON DOMINICANA Equivalent Lines	VGS Interest	VGS Equivalent Lines	Equivalent Lines for Verizon for Each Cable
Japan-US	967,680	-----	-----	-----	-----	6.25%	60480	18,386
PacRimEast	7,560	-----	-----	-----	-----	1.19%	90	90
TPC-5	241,920	-----	-----	-----	-----	1.50%	3630	3,630
<i>Total Verizon Equivalent Lines</i>								22,106
<i>Total Capacity in Region⁴</i>								12,740,490
Verizon Voting Interest as Percentage of Total Capacity in Region								0.17%

ATLANTIC OCEAN REGION

Cable	Capacity (64 Kbps)	CANTV Interest	CANTV Equivalent Lines	VERIZON DOMINICANA Interest	VERIZON DOMINICANA Equivalent Lines	VGS Interest	VGS Equivalent Lines	Equivalent Lines for Verizon for Each Cable
Columbus II	15,120	4.42%	688	0.45%	68	0.40%	60	748
Columbus III	120,960	0.47%	569	-----	-----	-----	-----	569
TAT 12/13	362,880	0.03%	91	-----	-----	0.02%	60	151
<i>Total Verizon Equivalent Lines</i>								1,467
<i>Total Capacity in Region⁵</i>								27,157,410
Verizon Voting Interest as Percentage of Total Capacity in Region								0.01%

⁴ *Id.* at 34 (“Total Trans-Pacific” capacity in 2003, minus capacity attributable to the retired TPC-4 and PacRimWest cables).

⁵ *Id.* at 33 (“Total Trans-Atlantic w/o CANTAT-3” capacity in 2003, minus capacity attributable to the retired Gemini cable).

DECLARATION OF JOHN J. LACK AND
ROBERT F. PILGRIM

EXHIBIT 2

EXHIBIT 2

CANTV'S Voting Interests in Submarine Cables Landing in the U.S. and in Venezuela

Cable	Capacity (64 Kbps) ¹	CANTV Interest	CANTV Equivalent Lines ²
Americas I	22,680	16.14%	3,661
Americas II	604,800	5.96%	36,046
ARCOS I	181,440	0.05%	91
Pan American	120,960	4.18%	5,056
<i>Total CANTV Equivalent Lines</i>			44,853
<i>Total Capacity on U.S.-Venezuela Cables in Which CANTV Has Voting Interest</i>			929,880
CANTV Voting Interest as Percentage of Total Capacity on These Cables			4.82%

¹ Capacity on each cable is taken from the FCC's 2003 Section 43.82 Circuit Status Data at Table 7 (Dec. 2004), available at <http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-255737A1.pdf> ("2003 Circuit Status Report").

² Verizon has attempted to approximate its capacity on each cable by multiplying its percentage voting interest in the cable by the cable's total capacity (as described in the FCC's 2003 Section 43.82 Circuit Status Data). See *Global Crossing Ltd. (Debtor-in-Possession), Transferor and GC Acquisition Limited, Transferee Applications for Consent to Transfer Control of Submarine Cable Landing Licenses, International and Domestic Section 214 Authorizations, and Common Carrier and Non-Common Carrier Radio Licenses, and Petition for Declaratory Ruling Pursuant to Section 310(b)(4) of the Communications Act, Order and Authorization*, 18 FCC Rcd 20301, ¶ 40 (2003).

DECLARATION OF JOHN J. LACK AND
ROBERT F. PILGRIM

EXHIBIT 3

EXHIBIT 3

Verizon Dominicana's Voting Interests in Submarine Cables Landing in the U.S. and in the Dominican Republic

Cable	Capacity (64 Kbps)¹	VERIZON DOMINICANA Interest	VERIZON DOMINICANA Equivalent Lines²
Antillas I	15,120	39.90%	6,033
ARCOS I	181,440	0.76%	1,379
<i>Total Verizon Dominicana Equivalent Lines</i>			7,412
<i>Total Capacity on U.S.-Dominican Republic Cables in Which Verizon Dominicana Has Voting Interest</i>			196,560
Verizon Dominicana Voting Interest as Percentage of Total Capacity on These Cables			3.77%

¹ Capacity on each cable is taken from the FCC's 2003 Section 43.82 Circuit Status Data at Table 7 (Dec. 2004), available at <http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-255737A1.pdf> ("2003 Circuit Status Report").

² Verizon has attempted to approximate its capacity on each cable by multiplying its percentage voting interest in the cable by the cable's total capacity (as described in the FCC's 2003 Section 43.82 Circuit Status Data). See *Global Crossing Ltd. (Debtor-in-Possession), Transferor and GC Acquisition Limited, Transferee Applications for Consent to Transfer Control of Submarine Cable Landing Licenses, International and Domestic Section 214 Authorizations, and Common Carrier and Non-Common Carrier Radio Licenses, and Petition for Declaratory Ruling Pursuant to Section 310(b)(4) of the Communications Act, Order and Authorization*, 18 FCC Rcd 20301, ¶ 40 (2003).

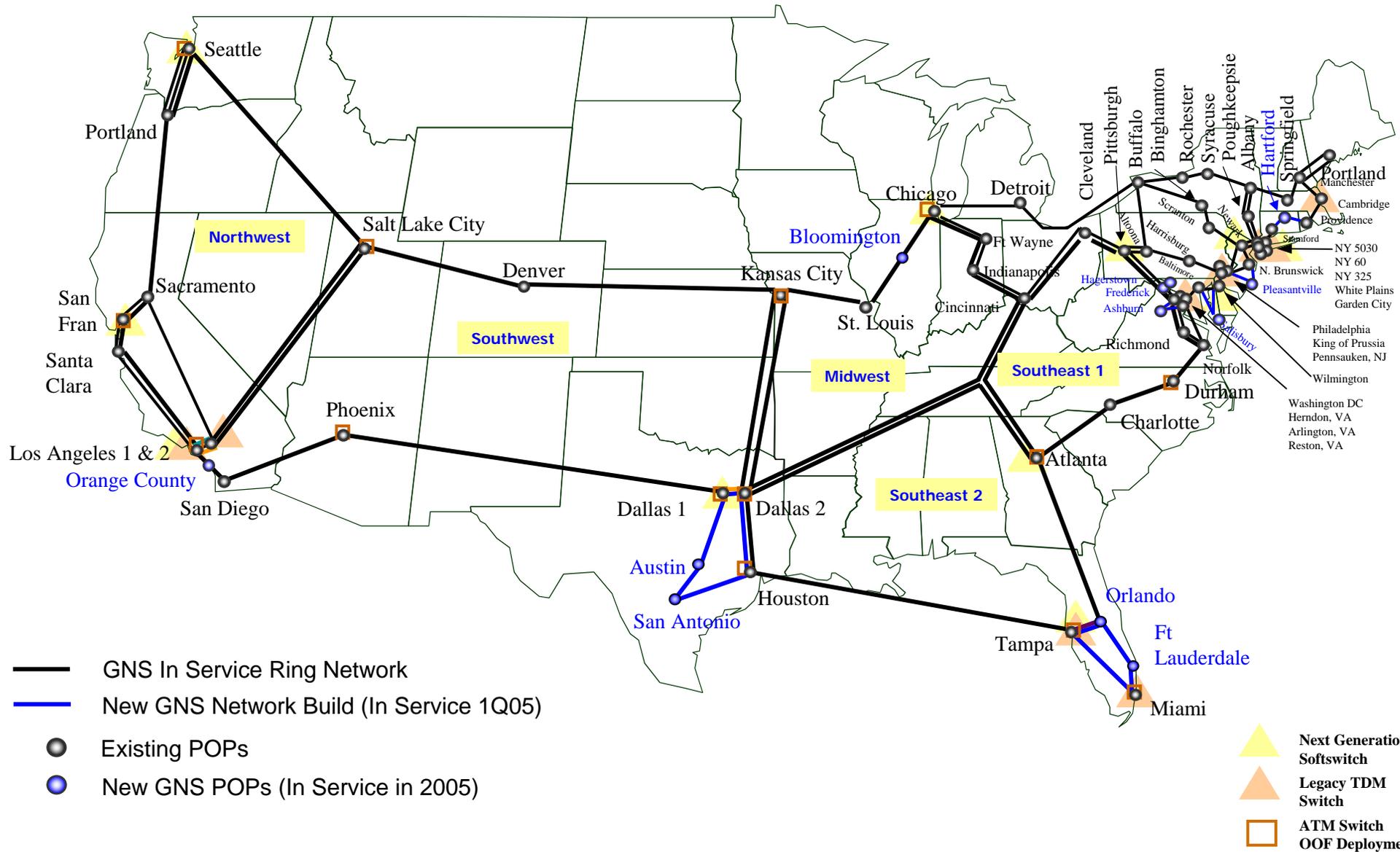
DECLARATION OF JOHN J. LACK AND
ROBERT F. PILGRIM

EXHIBIT 4

Verizon's Long Distance Network



- Transport network consists of 27 SONET rings and 63 POPs



DECLARATION OF JOHN J. LACK AND
ROBERT F. PILGRIM

EXHIBIT 5

Verizon IP Backbone 2005

