

ATTACHMENT 15

DECLARATION OF IHAB S. TARAZI

**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 IHAB S. TARAZI

I, Ihab S. Tarazi, declare as follows:

1. I am employed by MCI as the Vice President of Access and International Network Engineering. My responsibilities include the planning and engineering of the international network including voice and data networks as well as submarine cable systems.
2. MCI's market share in the international long distance market, in terms of U.S. billed minutes, has been declining since 2000. This market is characterized by intense competition among hundreds of carriers, including not only the major U.S. long distance carriers (MCI, AT&T, and Sprint), but numerous smaller providers who compete for niche markets. Given this intense competition, it is anticipated that MCI's market share will continue to decline in the future.
3. MCI is "affiliated" with "foreign carriers," as those terms are defined in Section 63.09 of the FCC's rules, in the following countries: Argentina, Australia, Austria, Belgium, Botswana, Canada, Chile, Columbia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hong Kong,

Hungary, Ireland, Italy, Japan, Kenya, Korea, Luxembourg, Mexico, Namibia, Netherlands, New Zealand, Norway, Panama, Peru, Poland, Portugal, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan (ROC), United Kingdom, Venezuela and Zambia.

4. Each of the foreign carriers affiliated with MCI holds less than a 10 percent share of the local access and international transport markets in its respective country.
5. MCI and its subsidiaries (collectively “MCI”) have ownership interests in several submarine cables that land in the United States. As described below, and as shown in Exhibit 1 to this declaration, MCI’s interests comprise only a small percentage of the total available capacity in each region served by these cables.¹
6. According to the FCC’s report, there were 1,420 STM-1 equivalents of capacity available in the Americas region in 2003.² MCI holds a voting ownership interest in eight of the cables serving that region that land in the United States: Americas 1; Americas 2; Antillas 1; Arcos-1; Bahamas 2; MAYA-1; Pan American; and Taino-Caribe. The capacity MCI owns on

¹ All of the percentages discussed below are based on the charts contained in Exhibit 1 to this declaration. In each case, MCI added the total capacity it owns on the various cables in which it has a voting interest and divided that capacity by the total capacity available in that region, as listed by the FCC’s 2003 Circuit Status Report. *See* FCC, 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 *Id.*

those eight cables totals 63.17 STM-1 equivalents, or less than 5 percent of the total capacity available in the Americas region.³

7. The FCC report lists cables totaling 14, 401 STM-1 equivalents in the Atlantic Ocean Region.⁴ MCI holds a voting ownership interest in four submarine cables in that region that land in the United States: Columbus-2; Columbus-3; TAT-12/13; and TAT-14. The capacity MCI owns on those four cables totals 627.55 STM-1 equivalents, representing less than 5 percent of the total capacity in the Atlantic Ocean Region.⁵
8. In the Pacific Ocean Region, the FCC reports total available capacity of 6,733 STM-1 equivalents.⁶ MCI holds voting ownership interests in four cables in that region that land in the United States: China-US; Guam-Philippines; Japan-U.S.; and TPC-5. The capacity MCI owns on those four cables totals 463 STM-1 equivalents, representing less than 7 percent of the total capacity in the Pacific Ocean Region.⁷
9. MCI and its affiliated foreign carriers do not own any cable landing stations at the foreign end of any U.S. international route.

³ See Exhibit 1 at 1.

⁴ See 2003 Circuit Status Report at Table 7; *see also* Exhibit 1 at 2.

⁵ See Exhibit 1 at 2.

⁶ See 2003 Circuit Status Report at Table 7; *see also* Exhibit 1 at 3.

⁷ See Exhibit 1 at 3.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed on March 9, 2005



DECLARATION OF IHAB S. TARAZI

EXHIBIT 1

Exhibit 1**MCI's Voting Interests in Submarine Cables Landing in the United States****AMERICAS REGION**

Cable	MCI's Total % Owned (Voting Interests)	MCI's Total Capacity (STM-1 Equivalents)¹
Americas-1	10.678%	2.33
Americas-2	10.230%	34.32
Antillas-1	6.137%	0.91
Arcos-1	1.042%	1.00
Bahamas -2	7.500%	.12
Maya-1	7.856%	7.19
Pan American	11.843%	2.11
Taino-Caribe	14.164%	15.19
Total Capacity Owned by MCI		63.17
Total Capacity Available in Region		1,420.00
% of Total Regional Capacity Owned by MCI		4.45%

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").

ATLANTIC REGION

Cable	MCI's Total % Owned (Voting Interests)	MCI's Total Capacity (STM-1 Equivalents)²
Columbus-2	8.306%	2.98
Columbus-3	18.252%	22.54
TAT-12/13	23.645%	45.03
TAT-14	13.237%	557.00
Total Capacity Owned by MCI		627.55
Total Capacity Available in Region		14,401.00
% of Total Regional Capacity Owned by MCI		4.36%

² 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").

PACIFIC REGION

Cable	MCI's Total % Owned (Voting Interests)	MCI's Total Capacity (STM-1 Equivalents)³
China-US	6.667%	64.50
Guam-Phillipines	2.108%	1.21
Japan-US	12.676%	377.00
TPC-5	14.865%	20.29
Total Capacity Owned by MCI		463.00
Total Capacity Available in Region		6,733.00
% of Total Regional Capacity Owned by MCI		6.88%

³ 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").