



Federal Communications Commission  
Washington, D.C. 20554

May 26, 2005

*Via Facsimile and First Class Mail*

Mr. Michael Glover  
Senior Vice President and Deputy General Counsel  
Verizon Communications Inc.  
1515 North Court House Road  
Arlington, VA 22201

Mr. Richard Whitt  
Vice President of Federal Law and Policy  
MCI, Inc.  
1133 19<sup>th</sup> St., NW  
Washington, DC 20036

Re: Verizon Communications Inc. and MCI, Inc. (WC Docket No. 05-75), Applications for Approval of Transfer of Control of International Section 214 Authorizations and Interests in Submarine Cable Licenses

Dear Messrs. Glover and Whitt:

On March 11, 2005, the Commission received applications seeking consent for the transfer of control to Verizon of certain international section 214 authorizations and interests in submarine cable landing licenses held directly and indirectly by MCI. On May 5, 2005, the Wireline Competition Bureau issued an Initial Information and Document Request. That request did not include international questions because the applicants had not yet briefed the Commission's staff on the impact of the proposed transaction on international markets. That briefing subsequently occurred on May 9, 2005. This International Document and Information Request follows that briefing.

We require additional information and clarification of certain matters discussed in the applications. Accordingly, pursuant to section 214 of the Communications Act of 1934, and section 2 of the Cable Landing License Act, we request that you provide written responses and supporting documentation for each request set forth in the attached request and, where appropriate, amend the relevant applications to reflect such responses. In order to expedite consideration of your applications, please respond to the following requests pertaining to this proposed merger by June 10, 2005. Unless otherwise specified herein, your responses should follow the instructions and definitions set forth in the May 5 letter, and should be filed with Marlene H. Dortch, Secretary, Federal Communications Commission, under reference number WC Docket No. 05-75.<sup>1</sup>

Sincerely,

A handwritten signature in black ink that reads "James L. Ball".

James Ball  
Chief, Policy Division  
International Bureau

Attachment

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<sup>1</sup> In addition, please ensure that the Commission staff listed in the March 24, 2005 public notice receive courtesy copies. If you submit information pursuant to the Protective Orders issued in this proceeding, you should follow the filing procedures specified therein. *Verizon Communications Inc. and MCI, Inc., Applications for Approval of Transfer of Control*, WC Docket No. 05-75, Order Adopting Protective Order, DA 05-647 (rel. Mar. 10, 2005), *Second Protective Order*, DA 05-1538 (rel. May 25, 2005).

## INTERNATIONAL DOCUMENT AND INFORMATION REQUEST

### 1. Submarine Cable Ownership and Capacity.

(a) For any cable segment landing in the United States, consistent with section 1.767(a)(11)(i) of the rules, please identify, on a segment-specific basis, the ownership interests held by MCI and its affiliates collectively and Verizon and its affiliates collectively, as set out in each cable's C&MA. On the U.S.-Dominican Republic and U.S.-Venezuela routes, please specify all whole and matched half-circuits held by the applicants and their U.S. and foreign affiliates.

(b) For the Southern Cross cable, MCI should clarify which entity currently owns and controls each of the U.S. cable landing stations, the entity's relationship to MCI and the percentage of ownership interest. If MCI has no voting interest in Southern Cross, please specify the nature of MCI's interests, including whether MCI holds ownership, IRU, or lease interests.

(c) With respect to Attachment 15, please explain how MCI calculated its total capacity in STM-1 equivalents and what conversion factor MCI used in arriving at this capacity.<sup>1</sup> To the extent necessary, amend Attachment 15 to correct these total capacity numbers and update the discussion concerning the percentage of voting interest and capacity held by MCI in each of the three geographic regions. Please amend Exhibit 1 of Attachment 15 to provide MCI's capacity data (cable by cable in each region) in the same format as shown in Exhibit 1 of Verizon's Attachment 10. Please clarify how MCI defines the term "capacity whole STM-1 equivalent."

### 2. International Telecommunications Services.

(a) For Verizon and its U.S. affiliates, please provide, for reporting year 2003 and for the most recent year, the following information: (1) the number of minutes of international traffic that Verizon (i) carried over its own facilities and (ii) provided as a pure reseller; (2) the resale minutes and revenues for pure resale traffic, on a route-by-route basis for all destination markets; (3) the underlying carriers Verizon (and its U.S. affiliates) uses when it provides international resale services, and the relative number of minutes of international resale minutes carried by each underlying carrier.

(b) For MCI and its U.S. affiliates, please specify for reporting year 2003 and for the most recent year the minutes and revenues for pure resale traffic, on a route-by-route basis for all destination markets.

(c) For (1) Verizon and its U.S. affiliates that provide international service through prepaid calling cards, and (2) MCI and its U.S. affiliates that provide international service through prepaid calling cards, please provide information on the revenues and minutes associated with the calls placed using those prepaid calling cards. Please describe how (1) Verizon and its U.S. affiliates and (2) MCI and its U.S. affiliates, market those prepaid calling cards.

### 3. Global Telecommunications Services.

(a) Please describe the services that are bought and sold in the GTS market, as well as the appropriate unit of measurement for measuring GTS services (e.g., 64 equivalent lines served, revenue, etc.), and explain whether there are also stand-alone regional telecommunications services markets (e.g., continental or hemispheric markets), consisting of different services, suppliers or customers than those in the GTS market.

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<sup>1</sup> The numbers provided by MCI in Attachment 15 do not appear to correlate with the capacity estimates Verizon provides in Attachment 10 nor with the capacity numbers in the Commission's most recent Circuit Status Report, which Attachment 15 cites as the source for the calculations of total capacity.

(b) Please identify the overall size of the GTS market, and, insofar as possible, all GTS customers (not just U.S. customers) and the amount of the GTS market each of their demand comprises. In particular, please list each of Verizon's GTS customers and MCI's GTS customers.

(c) Please identify, insofar as possible, all suppliers (not just U.S. suppliers) of GTS, and their respective shares of the GTS market, including Verizon's and MCI's market share. Please provide the information sources for the above answers, including sources for the definition of the GTS market, identification of supply and demand, and estimation of supply and demand market shares.