Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of Petition of AT&T Inc. for Special Temporary Authority and Waiver To Support Disaster Planning and Response	WC Docket No. 06-63

VERIZON'S[1] COMMENTS ON AT&T'S PETITION FOR SPECIAL TEMPORARY AUTHORITY AND WAIVER TO SUPPORT DISASTER PLANNING AND RESPONSE
AND
MEMORANDUM IN SUPPORT OF VERIZON'S PETITION FOR SPECIAL TEMPORARY AUTHORITY AND WAIVER TO SUPPORT DISASTER PLANNING AND RESPONSE

Introduction and Summary

The Commission should grant AT&T's petition and issue special temporary authorities and waivers of the Commission's rules in order to enable AT&T, Verizon and other incumbent telephone companies to engage in integrated disaster planning and response. Such relief will allow incumbent telephone companies to prepare for and respond to disasters more efficiently and quickly.

First, the Commission should issue special temporary authorities and waivers to Verizon and other incumbent telephone companies without requiring each of them to file their own separate petitions. Verizon is similarly situated to AT&T and has essentially the same need for

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[1] The Verizon telephone companies ("Verizon") are the local exchange and long distance carriers affiliated with Verizon Communications Inc. identified in Attachment A.

relief. To the extent it is needed, Verizon is hereby formally requesting the same relief and filing its on parallel petition for waiver and special temporary authority.

Second, the relief granted by the Commission should extend to all Commission rules that might impede disaster planning and response on an integrated basis. While AT&T has identified Section 272 separate affiliate rules and network disclosure rules in its petition, there are other Commission rules that might impede disaster planning and response on an integrated basis, such as the Part 64 structural separation rules and the Part 32 affiliate transaction and cost accounting rules. In fact, the benefit that can be obtained for disaster planning and recovery through relief from these restrictions on integration is yet another reason why the Commission should remove these artificial restrictions on integration more generally. The Commission should therefore grant relief as to any Commission rule that might impede disaster planning and response on an integrated basis.

Third, the relief granted should not be limited to federally declared national emergencies or disasters that threaten the country. Catastrophic events can have severe consequences even in small geographic areas. Verizon and other incumbent telephone companies need the ability to conduct integrated disaster planning and response even for local disasters and catastrophic events.

I. The Commission Should Issue Special Temporary Authorities and Waivers of the Commission's Rules to Enable AT&T, Verizon and Other Incumbent Telephone Companies to Engage in Integrated Disaster Planning and Response

AT&T is not the only incumbent telephone company with a need to undertake disaster planning and response. Verizon is continuing to identify opportunities to make its networks as robust as possible and able to withstand natural disasters, terrorist attacks and similar catastrophic events. Verizon is also continuing to identify vulnerable points in its networks and

resources that could be used to repair failures at those vulnerable points. These efforts can be done more efficiently and effectively on an integrated basis across Verizon's affiliated entities.

Just like AT&T, Verizon is a significant provider of telecommunications and other services to the federal government. Verizon's federal government customers include the Executive Branch, the Legislature, the Judiciary and nearly all independent agencies. Verizon also provides these services to state and local governments, including 911 response centers, hospitals, fire departments, law enforcement agencies and mass transit providers.

Just like AT&T, the Commission has previously granted Verizon relief for specific disasters or catastrophic events. For example, in response to the World Trade Center terrorist attack in 2001, the Commission granted Verizon special temporary authority to "use all qualified technicians available within the corporate family free of regulatory requirements that affect their assignment." *Accounting Safeguards Under the Telecommunications Act of 1996; Implementation of the Non-Accounting Safeguards of Section 271 and 272 of the Communications Act of 1934*, 16 FCC Rcd 17969, ¶ 4 (2001) ("*Verizon STA*"). The Commission found that the relief would "speed the deployment of these resources by eliminating any delay caused by otherwise mandatory" Commission requirements. *Id.* ¶ 6.

Just like AT&T, Verizon would benefit from the ability to undertake disaster planning and response on an integrated basis. Verizon's disaster planning and response efforts can be more efficient and effective when done on an integrated basis across its affiliated entities. But the Commission's rules on structural separation, affiliate transactions, network disclosure and the like can hinder Verizon from efficiently planning for disaster and quickly restoring communications to the public following a disaster or catastrophic event.

There is no reason, however, for the Commission to require Verizon and other incumbent telephone companies to file their own separate petitions for special temporary authorities and waivers of the Commission's rules. The Commission should instead grant relief to Verizon and other incumbent telephone companies on its own motion in order to enable them to undertake disaster planning and recovery on an integrated basis.[2]

II. The Commission Should Grant Relief in this Proceeding From All Commission Rules That Might Inhibit Integrated Disaster Planning and Response

AT&T's Petition is focused on relief from the separate subsidiary requirements of Section 272 of the Act and the Commission's network disclosure rules. *See* AT&T Petition at 1. There are other Commission rules, however, that may inhibit integrated disaster planning and response. To avoid any uncertainty, the Commission should grant relief from any Commission rule that might inhibit integrated disaster planning and response.

Section 272 is only one type of structural separation imposed on incumbent telephone companies. There are other Commission rules that impose structural separation requirements that may inhibit integrated disaster planning and response. For example, the Commission's rules require that an independent incumbent telephone company provide "in-region, interstate, interexchange services or in-region international interexchange services . . . through an affiliate." 47 C.F.R. 64.1903(a). The former GTE companies now owned by Verizon Communications Inc.

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[2] The Commission has on one previous occasion granted relief without a specific request from the incumbent telephone companies. Following Hurricane Katrina, "the Wireless Competition Bureau, *on its own motion*, grant[ed] a temporary limited waiver of sections 51.325 through 51.335 of the Commission's rules . . . to provide BellSouth *and other affected incumbent LECs* the necessary flexibility to effectively restore telecommunications services in the area affected by Hurricane Katrina." *See Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, 20 FCC Rcd 14713, ¶ 1 (2005) (emphasis supplied).

are subject to these structural separation requirements applicable to independent incumbent telephone companies.[3]

In addition, there are other Commission rules that could inhibit integrated activities, including disaster planning and response. The Commission's dominant carrier tariffing requirements[4] and price cap rules[5] could be read to impose new obligations on interstate interexchange or international services provided on an integrated basis by incumbent telephone companies. These obligations could inhibit integrated disaster planning and response. In addition, the Commission's Part 32 accounting rules,[6] the Commission's *Computer III* requirements,[7] and the Commission's Part 63 rules concerning the processes for acquiring lines, discontinuing services, assignments and transfers of control, and acquiring affiliations[8] could also be construed to impose requirements on interexchange services provided by an incumbent telephone companies. Such requirements could likewise inhibit planning for and responding to a disaster on an integrated basis.

The benefit of disaster planning and recovery on an integrated basis is yet one more reason why the Commission should eliminate outmoded and artificial restrictions on integration more generally. Just as it is more efficient to conduct disaster planning and recovery on an

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[3] Unlike Section 272 requirements, the structural separation requirements for independent incumbent telephone companies are not scheduled to sunset.

[4] Part 61 of the Commission's rules (*e.g.*, 47 C.F.R. §§ 61.28, 61.32, 61.33, 61.38, 61.58, and 61.59).

[5] 47 C.F.R. §§ 61.41 – 61.49.

[6] *Implementation of the Telecommunications Act of 1996: Accounting Safeguards Under the Telecommunications Act of 1996*, 11 FCC Rcd 17539 (1996).

[7] *Amendment of Section 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry)*, 104 FCC 2d 958, ¶¶ 127-31 (1986); *Application of ONA and Nondiscrimination Safeguards to GTE Corporation*, 9 FCC Rcd 4922 (1994).

[8] 47 C.F.R. §§ 63.12(b)(2), 63.19(b), 63.21(c), and 63.71(c) (second half of section).

integrated basis, it is likewise more efficient to provide telecommunications services on an integrated basis. Continuing to maintain these artificial restrictions simply denies consumers the benefits of such integration.

In addition, just as there is no regulatory benefit to maintaining these artificial restrictions in the context of disaster planning and recovery, there is likewise no regulatory benefit to maintaining them more generally. The competitive landscape has changed dramatically from the last time the Commission reviewed its rules governing interexchange services provided by affiliates of incumbent telephone companies. Where consumers once bought local service from their local phone company and long distance service from one of a number of interexchange carriers, they now can choose among a variety of all distance services offered by a wide range of intermodal providers. Cable companies, wireless carriers, and VoIP providers all offer services that compete with traditional wireline telephony and long distance services. The Commission has long recognized that competition is the best form of "regulation."

Because there are other Commission requirements that could inhibit integrated disaster planning and response, the Commission should not limit the relief granted in this proceeding to the Section 272 affiliate requirements or the Commission's network disclosure requirements. Rather, the Commission should grant relief from any Commission rule that might inhibit integrated disaster planning and response. In addition, the Commission should grant Verizon's Petition for Waiver and Petition for Forbearance to enable Verizon to provide interexchange services on an integrated basis following the sunset of Section 272 requirements.

III. The Commission Should Not Limit the Relief Granted in This Proceeding to Federally Declared National Emergencies or Catastrophic Events That Threaten the Country

AT&T's petition is directed toward the upcoming hurricane season "or some other event that poses a significant threat to the safety and well-being of the country." AT&T Petition at 2.

While it is important to focus on catastrophic events with national significance, the Commission should not ignore disasters that occur locally. Verizon and other incumbent telephone companies need to plan for and respond to disasters that have severe consequences in small geographic areas. There is no reason for the Commission to limit its relief to federally declared national emergencies or disasters that threaten the country as a whole.

Catastrophic events can and do occur in very local areas. For example, in June 2005, phone service to nearly two thousand customers in several towns in West Virginia was disrupted by vandals who cut and, in two cases, stole Verizon's cables. *See* Verizon News Release, *Verizon Offers $5,000 Reward for Information on Phone Cable Thefts, Vandalism in Southern West Virginia* (July 7, 2005). Similarly, in late May 2003, about 1,100 Verizon customers in Westchester County, New York were without phone service during the holiday weekend because vandals cut Verizon's cables at 10 separate locations. *See* Verizon New Release, *Verizon Offers $50,000 Reward After Vandalism Leaves 1,100 Westchester County Customers Without Service* (May 27, 2003). In addition, in April 2003, a construction crew working for another company disrupted phone service for as many as 15,000 lines when it cut 17 Verizon cables on 58th Street in Manhattan. *See* Verizon News Release, *Verizon Makes Progress Restoring Telecommunications Services on Manhattan's East Side* (May 2, 2002). Even though none of these events were declared a national emergency and none of them threatened the safety and well-being of the country as a whole, they were still a catastrophic events from the perspective of the affected citizens of West Virginia and New York.

Integrated disaster planning and response should not be limited by the geographic scope of the catastrophic event. Rather, the Commission's relief should extend to all types of catastrophic events, big and small.

CONCLUSION

For the foregoing reasons, the Commission should grant AT&T's petition. In addition, the Commission should issue Verizon the same STA and a waiver of Commission rules requested by AT&T in order for Verizon to engage in integrated disaster planning and response. The Commission should also issue Verizon a STA and a waiver of all other Commission rules that could inhibit integrated disaster planning and response.

Respectfully submitted,

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THE VERIZON TELEPHONE COMPANIES

The Verizon telephone companies participating in this filing are:

Verizon local exchange carriers:

Contel of the South, Inc. d/b/a Verizon Mid-States
GTE Southwest Incorporated d/b/a Verizon Southwest
Verizon California Inc.
Verizon Delaware Inc.
Verizon Florida Inc.
Verizon Maryland Inc.
Verizon New England Inc.
Verizon New Jersey Inc.
Verizon New York Inc.
Verizon North Inc.
Verizon Northwest Inc.
Verizon Pennsylvania Inc.
Verizon South Inc.
Verizon Virginia Inc.
Verizon Washington, DC Inc.
Verizon West Coast Inc.
Verizon West Virginia Inc.

Verizon long distance companies:

Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance
NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions
Verizon Select Services Inc.
Verizon Global Networks Inc.

Verizon Business companies providing domestic local and long distance service:

MCI Communications Services, Inc.
MCImetro Access Transmission Services LLC
MCImetro Access Transmission Services of Massachusetts, Inc.
MCImetro Access Transmission Services of Virginia, Inc.

On Jan. 6, 2006, MCI, Inc. merged into MCI, LLC, a wholly owned subsidiary of Verizon Communications Inc. Those MCI business units and certain other Verizon business units that serve enterprise and government customers now call themselves Verizon Business; those MCI business units serving consumer residential and small business customers continue to operate using the name MCI.