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May 23, 2006

**EX PARTE**

Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

**RE: Implementation of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992, MB Docket No. 05-311**

Dear Ms. Dortch:

On May 22, 2006, Dee May, David Young, Will Johnson and Leora Hochstein met with Thomas Navin, Chief of the Wireline Competition Bureau, and Marcus Maher, Legal Counsel to the Bureau Chief. We reviewed the status of our fiber-to-the-premises (FTTP) deployment and the availability of our FiOS video service and Internet access offerings. In this regard, we provided staff with the attached pamphlets describing our FTTP deployment and our video service offering. In addition, we discussed our recommendations for addressing some of the problems associated with the current video franchising process, as summarized in the attached document. In discussing the problems with imposing build-out obligations on competitive providers, we used the attached map of the Town of Hempstead, New York to show that telephone wire centers – the basis on which Verizon upgrades its network to fiber – do not correspond to LFA boundaries.

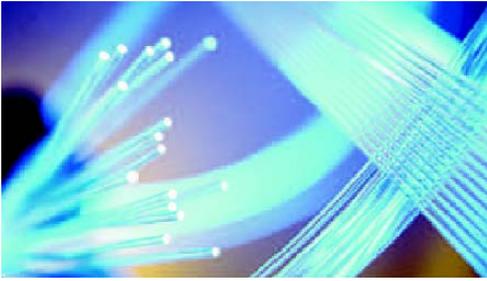
Sincerely,

A handwritten signature in black ink, appearing to read "Leora Hochstein".

Attachments

cc: Thomas Navin  
Marcus Maher

# **ATTACHMENT A**



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# *Fiber!*

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## *to the People*

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*Verizon's ambitious fiber-to-the-premises initiative transforms customers' experiences with innovative voice, data, and video services.*

On May 19, 2004, Verizon announced that it was embarking on the most significant transformation in over a century of the technology used to carry phone calls, data, and video to and from homes and businesses. This new technology – known as fiber to the premises (FTTP) – uses fiber-optic cable and optical electronics to directly link homes and businesses to Verizon's network.

Verizon is building this network of the future to provide customers with unmatched network reliability, incredible speed, and exciting new options for voice, data, and video connections. Fiber-optics unleashes a range of advanced communications services. This new suite of fiber-optic services is called Verizon FiOS<sup>SM</sup>.

While the use of fiber-optic technology is common throughout the telecom industry, Verizon is the first company to use fiber to directly connect homes and businesses on a widespread scale.

Since rolling out its FTTP network in 2004, Verizon has passed over 3 million homes and businesses with the new technology. Verizon is on track to pass a total of 6 million premises by the end of 2006. Verizon is now building its FTTP

network in 16 states – California, Connecticut, Delaware, Florida, Indiana, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Texas, Virginia, and Washington.

To help build the network across the country, Verizon has hired about five thousand new employees and opened customer call centers in Providence, RI, Dallas, TX, Hampton, VA, Thousand Oaks, CA, and Dewitt, NY.

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### *FiOS delivers!*

*"Keller sits at the forefront of the fiber frontier, and our citizens and businesses stand to benefit from an entirely new era of technology that will positively impact their quality of life."*

*Julie Tandy, Mayor of Keller, TX*

*"Verizon's fiber-to-the-premises initiative expands the company's broadband capabilities and will create more union jobs. Verizon is giving the CWA access to jobs of the future and the opportunity to be a vital part of a promising growth area."* *Andy Milburn, Vice President, District 6, Communications Workers of America*

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## ▼ *FiOS Internet Service*

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Verizon is offering groundbreaking high-speed Internet services over its fiber-to-the-premises network. FTTP delivers data speeds of up to 30 megabits-per-second (Mbps), which is at least 10 times faster than consumer broadband speeds typically available today. FTTP has the capability to provide nearly unlimited bandwidth.

Connection speeds (downstream / upstream) and pricing offered to FiOS Internet consumers are:

- 5 Mbps / 2 Mbps for \$34.95 a month as part of a package or with an annual service agreement, or \$39.95 month-to-month.
- 15 Mbps / 2 Mbps for \$44.95 a month as part of a package or with an annual service agreement, or \$49.95 month-to-month.
- 30 Mbps / 5 Mbps for \$179.95 a month as part of a package or with an annual service agreement, or \$199.95 month-to-month.

All FiOS Consumer Internet service packages include:

- Free wireless router
- Choice of online services: Verizon Yahoo! or MSN® Premium
- 24/7 live technical support
- Up to nine verizon.net e-mail accounts
- Access to newsgroups
- Personal Web space of 10 MB
- 30-day money-back guarantee

Small businesses in parts of California, Delaware, Florida, Maryland, New Jersey, Pennsylvania, Texas, and Virginia also can sign up for FiOS Internet:

- 15 Mbps / 2 Mbps for \$59.95 (dynamic IP address) and \$99.95 (static IP address).
- 5 Mbps / 5 Mbps for \$169.95 (dynamic IP address) and \$209.95 (static IP address).
- 30 Mbps / 5 Mbps for \$349.95 (dynamic IP address) and \$389.95 (static IP address).

All FiOS Business Internet service packages include:

- 24/7 business-grade technical support
- 20 Mb of Web space
- Unlimited remote dial-up access

Digital subscriber line (DSL) service will remain Verizon's most widely available form of high-speed Internet access for the foreseeable future, as the company ramps up FTTP deployment.

## ▼ *FiOS TV Service*

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Verizon's FiOS TV, the future of television, is available now in select communities in California, Florida, Maryland, Massachusetts, New York, Texas and Virginia. Verizon will add new markets in 2006. FiOS TV offers customers a competitive alternative to cable TV or satellite. Customers can buy FiOS TV as a stand-alone service or packaged with voice and/or FiOS Internet service.

This next-generation technology has customers watching television in a whole new light. Fiber delivers amazingly sharp pictures and sound, and has the capacity to transmit a wide array of high-definition programming (HDTV) that is so clear and intense it seems to leap from the TV screen. Verizon's network design includes backup facilities not common to traditional cable systems, such as duplicate "head ends" where the TV service receives national programming.

And customers can control it all with Verizon's powerful interactive programming guide. Even more, a digital video recorder (DVR) is available to give customers more control over their viewing experience, allowing them to record, pause, and rewind programs – even live TV. With an abundant library of video on demand (VOD) titles,

customers can watch what they want, whenever they want. And they have other features like pay-per-view and parental controls.

FiOS TV subscribers can choose from three simple-to-understand service offerings, each with built-in choice and value. They can then choose from packages and premium channels with programming that meets their special interests. Information on packages, programming and local channel lineups is available at [www.verizon.net/fiostv](http://www.verizon.net/fiostv).

Verizon offers three set-top boxes: standard definition for \$3.95 per month; high definition, which includes HD channels, for \$9.95 per month; and a digital video recorder set-top box with HD channels for \$12.95 per month.

The services include:

- **Basic** – With access to 15-35 local broadcast, weather and community channels, as well as video-on-demand, for \$12.95 per month. The service is digital with a set-top box. Basic is also available as an analog service that does not require a set-top box for viewing.
- **Expanded Basic** – Verizon's lead offer, delivers more than 180 video and music channels for \$39.95 a month. This tier includes access to more than 2000 on-demand titles. This service requires a standard-definition set-top box or a high-definition set-top box for HD channels.
- **La Conexión** – A tier designed for bilingual households who enjoy TV programs in English and Spanish, for \$32.95 per month. The package includes nearly 140 channels with English- and Spanish-language programming and access to more than 2000 on-demand titles.

Discounts of up to \$10 off the monthly price for FiOS TV are offered to subscribers who also sign-

up for Verizon's FiOS Internet service and the Freedom voice service.

FiOS TV subscribers can also choose from packages and premium channels with programming that meets their special interests:

- A 15-channel sport-package is available for \$5.95 a month.
- A movie package, with 44 channels of Starz, Showtime, Encore, The Movie Channel, Flix and Sundance is \$11.95 a month.
- Customers can buy the sports and movie packages together for \$14.95 a month.
- Verizon also offers 14 HBO channels and 12 Cinemax channels as premium services, with each set of channels available for \$14.95. Subscribers who want both HBO and Cinemax pay \$24.95 per month.

Programming choices for African-American, Asian, Russian and other multicultural and ethnic audiences are available in every market. Because FiOS TV has so much capacity, it will also be an outlet for emerging and independent networks to showcase their diverse programming.

## ▼ *Hardware / Software Partners*

**Westell Technologies** manufactures the Verizon One™ communications command center, which



fully integrates voice and data services into a single device. Verizon One – available for \$149.99 with a one-year DSL service agreement or at a retail price of \$199.99 – includes a DSL modem, 802.11g wireless router, 5.8 Ghz cordless telephone, and a color touch screen.

Using the touch screen, customers can:

- Call with one touch from their online address book or SuperPages directory listings.
- Check the weather, news headlines, movie listings, sports scores, stocks, and more.
- Leave notes for other household members with the free-style memo pad.
- Access and manage an online calendar.

Verizon One is also configured to support additional features for customers subscribing to Verizon's iobi<sup>SM</sup> Home service, which lets customers manage all of their communications via a single user interface.

**Tellabs** and **Motorola** provide the central office and customer premises optical electronics for the project – such as Optical Line Terminals, Optical Network Terminals, and video-optimized Optical Amplifiers – also known as the “active” elements of FTTP technology. Motorola also helps build the video capability of the FTTP network, providing head-end technology and digital set-top boxes.

**ADC, Corning Cable Systems, 3M, Prysmian Communications Cables and Systems USA, Preformed Line Products, Sumitomo Electric Lightwave,** and **Tyco Electronics** provide the fiber-optic cabling and other outside plant equipment for the project, also known as the “passive” elements of FTTP technology.

Verizon's IP-based video-on-demand service is powered by the **SeaChange** IP Video System, the most widely used media platform for on-demand television, with capabilities to support interactive advertising, games-on-demand and other new applications.

**Yahoo!** provides a fully integrated web portal to Verizon Online's FiOS and DSL subscribers.

## ▼ *The Basics of Fiber Optics*

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**How does FTTP work?** Fiber-optic cables consist of bundles of hair-thin glass strands. Laser-generated pulses of light transmit voice, data, and video signals via the fiber at speeds far exceeding today's copper-wire systems.

**What are the advantages of FTTP?** Fiber has a number of advantages over copper-wire:

- FTTP provides nearly unlimited bandwidth.
- FTTP provides more reliable service that is less susceptible to inclement weather and is easier to maintain.
- FTTP enables a wide variety of uses, from interactive content and home shopping to telecommuting to telemedicine and audio / video on demand.
- FTTP is extremely flexible to meet customer preferences – new products and services can be activated remotely, either permanently or on demand.



May 10, 2006



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# Fiber!

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## To the People

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*Verizon has deployed FTTP and FiOS Internet service is available in these communities\*:*

### California

1. Apple Valley
2. Banning
3. Beaumont
4. Calimesa
5. Camarillo
6. Chino
7. Chino Hills
8. Corona
9. Fort Irwin
10. Hermosa Beach
11. Huntington Beach
12. Indio
13. Lake Elsinore
14. Loma Linda
15. Malibu
16. Manhattan Beach
17. Menifee
18. Montclair
19. Murrieta
20. Ontario
21. Pomona
22. Rancho Cucamonga
23. Redondo Beach
24. Sun City
25. Sunset Beach
26. Temecula
27. Topanga
28. Victorville
29. Westminster
30. Wildomar

### Connecticut

1. Greenwich

### Delaware

1. Adare Village
2. Ainsley Woods
3. Alexander Farms
4. Angola
5. Angola By The Bay
6. Antrim
7. Appoquin Farms
8. Arden
9. Asbury Chase
10. Auburn

11. Augustine Beach
12. Augustine Creek
13. Autumn Hills
14. Autumnwood
15. Avignon
16. Barbs Farm
17. Barkley
18. Bayshore
19. Baywood
20. Beacon Hill
21. Bear
22. Beau Tree
23. Bella Vista
24. Belle Terre
25. Bishops Walk
26. Bon Ayre
27. Bon Mont
28. Brackenville Woods
29. Brandon
30. Brandywine Forge
31. Brandywood
32. Brick Mill Farm
33. Bridgeville
34. Broadmoor Estates
35. Brookhill Farms
36. Brookwood Crossing
37. Cameron Hills
38. Cannonshire
39. Cantwell Ridge
40. Carpenter Woods
41. Castlebar
42. Cedar Farms
43. Centerville Meadows
44. Chalfonte
45. Channin
46. Chapel Hill
47. Chapel Woods
48. Charlan
49. Charter Oaks
50. Christina Woods
51. Church Hill
52. Cinnamon Station
53. Cobblestone
54. Colton Meadow
55. Commodore Estates
56. Coopers Run

57. Creeks End
58. Cricket Hill
59. Darley Woods
60. Dartmouth Woods
61. Deerborne Woods
62. Deerfield
63. Delaware City
64. Drawyers Creek
65. Dutch Neck Farms
66. Eastburn Farms
67. Elwin Manor
68. Enchanted Acres
69. Evergreen Acres
70. Exton
71. Fairfield At Long Neck
72. Fairways At Vandegrift
73. Fairwoods
74. Farmstead
75. Forest Knoll
76. Forest Ridge
77. Foulk Woods
78. Fox Hollow
79. Fox Hunter Crossing
80. Fox Meadow Farms
81. Foxpath
82. Gam Crest
83. Gateway Farms
84. Governors Square
85. Grande View Farms
86. Grants Ridge
87. Graylyn Crest
88. Great Oak Farms
89. Green Acres
90. Greenville
91. Hampton Pointe
92. Hawkes Aerie
93. Hawthorne
94. Heather Valley
95. Heather Woods
96. Heatherton
97. Hickory Ridge
98. Highland Woods
99. Highview
100. Hillstream
101. Hitchens Farm
102. Hockessin

103. Hockessin Chase
104. Hockessin Greene
105. Hockessin Hills
106. Hockessin Hunt
107. Hockessin Valley Falls
108. Hockessin Woods
109. Holiday Hills
110. Holly Oak Acres
111. Indian Field
112. Iron Gates
113. Jarrell Farms
114. Julias Place
115. Kershaw Acres
116. Kingsridge
117. Lancashire
118. Larchmont
119. Leisure Point
120. Lewes
121. Limestone Hills
122. Linden Heath
123. Lingo Estates
124. Little Baltimore
125. Long Neck Shores
126. Lynnfield
127. Manley
128. Maplechase
129. Masseys Landing
130. Mayfield
131. Meadow Run
132. Meadowbrook Farms South
133. Meeting House Hill
134. Meeting House Meadow
135. Mendenhall Village
136. Merestone
137. Mermaid Run
138. Middle Run Meadow
139. Middletown
140. Milford Meadows
141. Millbourne
142. Millbranch
143. Millsboro
144. Misty Vale Farm
145. Mockingbird Hill
146. Munsee
147. Naamans Gardens
148. Newark

\*FiOS service may be available to portions of these communities as Verizon continues its FTTP network deployment.

149. Nob Hill  
150. North Saint Georges  
151. North Star  
152. Northshire  
153. Oak Forest  
154. Oakwood Hills  
155. Odessa Chase  
156. Odessa National  
157. Old Post Farm  
158. Piersons Ridge  
159. Pine Tree Estates  
160. Pine Valley Farms  
161. Pines At Long Neck  
162. Pleasant Valley Estates  
163. Pleasant Valley Farms  
164. Port Penn  
165. Post And Rail Farms  
166. Pot Nets Bayside  
167. Pot Nets Coveside  
168. Pot Nets Creekside  
169. Pot Nets Docksides  
170. Pot Nets Lakeside  
171. Pot Nets West  
172. Preserve At Lafayette Hill  
173. Quail Hollow  
174. Quail Ridge  
175. Quaker Hill  
176. Quaker Lea  
177. Ramsey Ridge  
178. Rolling Ridge  
179. Runnymede  
180. Saddle Ridge  
181. Saint Georges Heights  
182. Sanford Ridge  
183. Sea Farers Village  
184. Shenandoah  
185. Sherwood Green  
186. Signal Hill  
187. South Saint Georges  
188. Southwood  
189. Southwood Estates  
190. Spring Creek  
191. Stenning Woods  
192. Stone Mill  
193. Stonefield  
194. Stoneridge  
195. Sugar Loaf Chase  
196. Sugar Loaf Farms  
197. Sycamore Farms  
198. Tenby Chase  
199. Terraces On Iron Hill  
200. The Hills Of Hockessin  
201. The Peninsula  
202. The Reserve At Ironside  
203. Thomas Cove  
204. Thomas Landing  
205. Thornberry  
206. Timberlane  
207. Townsend  
208. Tree Top Valley  
209. Valley Pointe  
210. Vintage Village  
211. Walnut Hill  
212. Weatherhill Farms  
213. Webster Farms  
214. Wellington Hills  
215. Wellington Meadows

216. Wellington South  
217. Wellington West  
218. Wellington Woods  
219. West Meadows  
220. Westbrite  
221. Westgate Farms  
222. Westover Chase  
223. Westridge  
224. Westwoods  
225. Wexford Glen  
226. White House Beach  
227. Whitebriar  
228. William Ritter Manor  
229. Williamsburg Court  
230. Wilmington  
231. Winding Creek Village  
232. Windward  
233. Windybush  
234. Woodcroft  
235. Woodlawn Estates  
236. Wyndom  
237. Wynnwood  
238. Yeatmans Estates  
239. Yeatmans Mill  
240. Yorklyn  
241. Yorklyn Ridge

### Florida

1. Bradenton  
2. Brandon  
3. Carrollwood  
4. Dover  
5. Land O Lakes  
6. Lakewood Ranch  
7. Lithia  
8. Lutz  
9. Odessa  
10. Oldsmar  
11. Riverview  
12. Sarasota  
13. Seffner  
14. Siesta Key  
15. Tampa  
16. Temple Terrace  
17. Valrico  
18. Wesley Chapel

### Indiana

1. Fort Wayne  
2. New Haven

### Maryland

1. Annapolis  
2. Arnold  
3. Bowie  
4. Boyds  
5. Brinklow  
6. Brookeville  
7. Burtonsville  
8. Cabin John  
9. Clarksburg  
10. Columbia  
11. Crofton  
12. Crownsville  
13. Damascus  
14. Davidsonville  
15. Dayton

16. Edgewater  
17. Ellicott City  
18. Fort Washington  
19. Germantown  
20. Glen Echo  
21. Hillcrest Heights  
22. Kensington  
23. Largo  
24. Laurel  
25. Lothian  
26. Mayo  
27. Millersville  
28. Mitchellville  
29. Odenton  
30. Olney  
31. Pasadena  
32. Potomac  
33. Sandy Spring  
34. Severna Park  
35. Spencerville  
36. Wheaton

### Massachusetts

1. Acton  
2. Andover  
3. Bedford  
4. Belmont  
5. Boxford  
6. Burlington  
7. Canton  
8. Dedham  
9. Georgetown  
10. Hamilton  
11. Holliston  
12. Hopkinton  
13. Lakeville  
14. Lexington  
15. Littleton  
16. Lynnfield  
17. Marlboro  
18. Medway  
19. Middleboro  
20. Natick  
21. Newton  
22. Nobscott  
23. North Reading  
24. Reading  
25. Sherborn  
26. Southborough  
27. Sudbury  
28. Tewksbury  
29. Topsfield  
30. Wakefield  
31. Wellesley  
32. Wenham  
33. West Newbury  
34. Westboro  
35. Westwood  
36. Winchester  
37. Woburn

### New Hampshire

1. Atkinson  
2. Bedford  
3. Brentwood  
4. Danville  
5. Derry

6. East Kingston  
7. Epping  
8. Exeter  
9. Greenland  
10. Kensington  
11. Lee  
12. Londonderry  
13. South Nashua  
14. New Castle  
15. Newington  
16. Newton  
17. Nottingham  
18. Plaistow  
19. Portsmouth  
20. Rye  
21. Salem  
22. Stratham  
23. Windham

### New Jersey

1. Allendale  
2. Alpine  
3. Bergenfield  
4. Bernards Township  
5. Bernardsville  
6. Bound Brook  
7. Bridgewater Township  
8. Cherry Hill  
9. Closter  
10. Colts Neck  
11. Demarest  
12. Denville  
13. Dumont  
14. East Hanover Township  
15. East Windsor Township  
16. Eatontown  
17. Emerson  
18. Evesham Township  
19. Ewing  
20. Fair Haven  
21. Far Hills  
22. Franklin Lakes  
23. Glen Rock  
24. Green Brook  
25. Hanover Township  
26. Harding Township  
27. Harrington Park  
28. Haworth  
29. Hightstown  
30. Hillsdale  
31. Hohokus  
32. Hopewell Township  
33. Lawrence Township  
34. Little Silver  
35. Long Hill Township  
36. Mahwah  
37. Medford Lakes  
38. Medford Township  
39. Mendham  
40. Mendham Township  
41. Middlesex  
42. Middletown Township  
43. Midland Park  
44. Millstone Township  
45. Monroe Township  
46. Morris Plains  
47. Morris Township

48. Morristown
49. Mountain Lakes
50. New Milford
51. Northvale
52. Norwood
53. Oakland
54. Oceanport
55. Old Tappan
56. Oradell
57. Paramus
58. Parsippany
59. Passaic
60. Pennington
61. Ramsey
62. Randolph Township
63. Red Bank
64. Ridgewood
65. River Edge
66. River Vale
67. Rockaway Boro
68. Rockaway Township
69. Rockleigh
70. Roosevelt
71. Rumson
72. Saddle River
73. Sea Bright
74. Shamong Township
75. Shrewsbury
76. Southampton Township
77. Tinton Falls
78. Upper Saddle River
79. Voorhees Township
80. Waldwick
81. Warren Township
82. Washington Township
83. West Windsor Township
84. Westwood
85. Wyckoff

### New York

1. Albertson
2. Amityville
3. Ardsley
4. Ardsley On Hudson
5. Armonk
6. Baldwinsville
7. Bayville
8. Bedford
9. Bedford Hills
10. Bellmore
11. Bethpage
12. Blauvelt
13. Brewerton
14. Briarcliff Manor
15. Bronxville
16. Carle Place
17. Carmel
18. Cedarhurst
19. Centereach
20. Central Nyack
21. Chappaqua
22. Cicero
23. Clarkstown
24. Clay
25. Cold Spring Harbor
26. Congers
27. Copiague

28. Croton On Hudson
29. Delmar
30. Dewitt
31. Dix Hills
32. Dobbs Ferry
33. East Meadow
34. East Norwich
35. East Rockaway
36. East Setauket
37. East Syracuse
38. East White Plains
39. East Williston
40. Eastchester
41. Elmont
42. Elmsford
43. Farmingville
44. Fayetteville
45. Feura Bush
46. Franklin Square
47. Garden City
48. Garnerville
49. Glen Head
50. Glenmont
51. Goldens Bridge
52. Great Neck
53. Great Neck Estates
54. Greenlawn
55. Greenwich
56. Harrison
57. Hartsdale
58. Hastings On Hudson
59. Hawthorne
60. Hewlett
61. Hicksville
62. Holbrook
63. Holtsville
64. Huntington
65. Huntington Station
66. Irvington
67. Jamesville
68. Jericho
69. Katonah
70. Lake Grove
71. Larchmont
72. Latham
73. Lawrence
74. Levittown
75. Locust Valley
76. Lynbrook
77. Malverne
78. Mamaroneck
79. Manhasset
80. Manhattan
81. Manlius
82. Massapequa
83. Massapequa Park
84. Melville
85. Merrick
86. Mill Neck
87. Millwood
88. Mineola
89. Monsey
90. Mount Kisco
91. Nanuet
92. Nesconset
93. New Hyde Park
94. New Rochelle

95. Niskayuna
96. North Castle
97. North White Plains
98. Nyack
99. Oceanside
100. Old Westbury
101. Orangeburg
102. Ossining
103. Oyster Bay
104. Oyster Bay Cove
105. Palisades
106. Patterson
107. Pearl River
108. Piermont
109. Plainview
110. Pleasantville
111. Pomona
112. Port Chester
113. Port Washington
114. Pound Ridge
115. Purchase
116. Purdys
117. Rockaway Beach
118. Rockaway Park
119. Rockville Centre
120. Ronkonkoma
121. Roslyn
122. Rye
123. Sands Point
124. Seaford
125. Selkirk
126. Setauket
127. Sleepy Hollow
128. Slingerlands
129. South Bellmore
130. South Nyack
131. South Salem
132. Sparkill
133. Spring Valley
134. Staten Island
135. Stony Brook
136. Suffern
137. Syosset
138. Syracuse
139. Tappan
140. Tarrytown
141. Thornwood
142. Tuckahoe
143. Valhalla
144. Valley Cottage
145. Valley Stream
146. Wantagh
147. West Hempstead
148. West Nyack
149. White Plains
150. White Plains City
151. Williston Park
152. Woodbury
153. Woodmere
154. Yonkers

### Oregon

1. Beaverton
2. Hillsboro

### Pennsylvania

1. Aleppo

2. Ambler
3. Baldwin Township
4. Beechview
5. Bell Acres
6. Birmingham
7. Bridgeville
8. Brookline
9. Buckingham
10. Caln
11. Castle Shannon
12. Cecil
13. Chadds Ford
14. Chalfont
15. Charleston
16. Chester Heights
17. Coatesville
18. Collegeville
19. Collier
20. Concord
21. Derry
22. Dormont
23. Downingtown
24. Doylestown Boro
25. Doylestown Township
26. Dublin
27. East Bradford
28. East Brandywine
29. East Caln
30. East Goshen
31. East Hanover
32. East Marlborough
33. East Pikeland
34. East Whiteland
35. Easttown
36. Edgmont
37. Exton
38. Falls
39. Franklin Park
40. Glen Mills
41. Glenfield
42. Green Tree
43. Hampton
44. Hatfield Boro
45. Hatfield Township
46. Haysville
47. Hilltown
48. Horsham
49. Hummelstown
50. Indiana
51. Kennett
52. Kennett Square
53. Kilbuck
54. Langhorne
55. Langhorne Manor
56. Lansdale
57. Leet
58. Londonderry
59. Lower Gwynedd
60. Lower Makefield
61. Lower Paxton
62. Lower Providence
63. Lower Salford
64. Lower Southampton
65. Lower Swatara
66. Malvern
67. Mccandless
68. Montgomery

69. Mt Lebanon
70. New Britain Boro
71. New Britain Township
72. Newlin
73. Newtown Boro
74. Newtown Township
75. Northampton
76. Ohara
77. Ohio
78. Osborne
79. Perkiomen
80. Phoenixville
81. Plumstead
82. Pocopson
83. Radnor
84. Ross
85. Scott
86. Sewickley
87. Sewickley Heights
88. Sewickley Hills
89. Shaler
90. Skippack
91. South Fayette
92. South Hanover
93. Spring City
94. Springfield
95. Susquehanna
96. Thornbury
97. Towamencin

98. Trappe
99. Tredyffrin
100. Upper Dublin
101. Upper Gwynedd
102. Upper Makefield
103. Upper Merion
104. Upper Moreland
105. Upper Southampton
106. Upper St Clair
107. Uwchlan
108. Warminster
109. Warrington
110. Warwick
111. West Bradford
112. West Brandywine
113. West Chester
114. West Goshen
115. West Hanover
116. West Marlborough
117. West Pikeland
118. West View
119. West Whiteland
120. Westtown
121. Willistown
122. Worcester
123. Wrightstown
124. Yardley

### Rhode Island

1. North Kingstown
2. Warwick

### Texas

1. Allen
2. Carrollton
3. Colleyville
4. Coppell
5. Denton
6. Double Oak
7. Flower Mound
8. Fort Worth
9. Garland
10. Grapevine
11. Hebron
12. Highland Village
13. Irving
14. Keller
15. Lewisville
16. Lucas
17. Murphy
18. Parker
19. Plano
20. Rowlett
21. Sachse
22. Southlake
23. St. Paul
24. Westlake

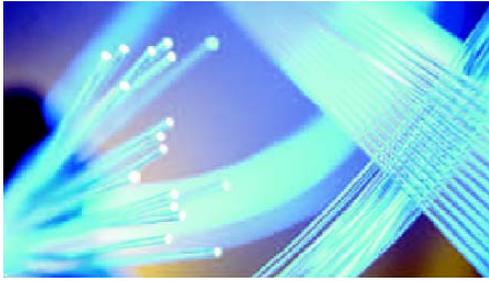
25. Wylie

### Virginia

1. Annandale
2. Arlington
3. Ashburn
4. Brambleton
5. Burke
6. Carrollton
7. Centreville
8. Chantilly
9. Chesterfield
10. Crittendon
11. Falls Church
12. Fort Belvoir
13. Herndon
14. Kirkpatrick Farms
15. Leesburg
16. Mclean
17. Midlothian
18. Moseley
19. Newport News
20. Norfolk
21. Quantico Marine Corp Base
22. Reston
23. Richmond
24. South Riding
25. Springfield
26. Virginia Beach



March 17, 2006



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# *Fiber!*

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## *to the People*

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*Verizon has announced FiOS TV programming agreements with these networks:*

**Disney-ABC Television Group** –

Includes ABC Family, ABC News Now, Disney Channel, Toon Disney and SOAPnet. Verizon will also be granted retransmission consent of ABC's owned and operated television stations as part of the agreement.

**NBC Universal Cable** – 10 networks, including Bravo, CNBC, CNBC World, MSNBC, SCI FI Channel, Trio, USA, ShopNBC, Telemundo, and mun2. Also included are NBC and Universal HD, a service that features high-definition films, TV shows, performing arts, sports, and special events.

**Turner Broadcasting System** – Includes TBS, TNT, CNN, Headline News, Cartoon Network, Turner Classic Movies (TCM), CNN International, CNN en Español, and Boomerang. Also included is TNT in HD.

**Showtime Networks** – 11 networks, including Showtime, Showtime Too, Showtime Showcase, Showtime Beyond, Showtime Extreme, Showtime Women, Showtime Next, Showtime Family Zone, The Movie Channel, TMC xtra, and Flix. Also included are Showtime HD and The Movie Channel HD, Showtime On Demand, and The Movie Channel on Demand.

**Starz Entertainment Group** – 13 movie channels, including Starz and Encore brands, Starz On Demand, and Starz HDTV.

**ESPN Networks** – includes ESPN, ESPN2, ESPN Classic, ESPNEWS, ESPN, ESPN Deportes (ESPN's 24-hour Spanish-language sports network), ESPN HD, and ESPN2 HD.

**NFL Network** – The first 24-hour network dedicated to the National Football League and the sport of football. Also included are NFL Network in HD and NFL on Demand.

**Mid-Atlantic Sports Network** – MASN is the television home of the Washington Nationals in the mid-Atlantic region.

**World Wrestling Entertainment** – WWE 24/7 video-on-demand leverages WWE's 75,000-hour library, the largest of its kind in the world, featuring the leading wrestling and other sports entertainment brands and programming.

**Discovery Communications** – 14 networks, including Discovery Channel, TLC, Animal Planet, Travel Channel, Discovery Health Channel, Discovery Kids Channel, Discovery Times Channel, The Science Channel, Discovery Home Channel, Military Channel, Discovery en Español, FitTV, BBC America, and Discovery HD Theater. Also included is Discovery On Demand.

**A&E Television Networks** – 7 networks, including A&E, The History Channel, The Biography Channel, History International, Military History

Channel, The History Channel en español, and Crime & Investigation Network. Also included is VOD content from all of A&E's services.

**Lifetime Networks** – Includes Lifetime, Lifetime Movie Network and Lifetime Real Women.

**Scripps Networks** – The broad portfolio of Scripps Networks' content includes HGTV, Food Network, DIY Network, FINE LIVING, Great American Country (GAC) and Shop at Home – as well as video-on-demand programming. Also included are Scripps Networks new high-definition channels, HGTV-HD and Food Network-HD, which will be launched in early 2006.

**The Weather Channel** – Includes Weather Channel, the only national weather information network, and its complementary all-local service, Weatherscan.

**TVN Entertainment** – Video-on-demand, including new studio releases, a library of previous releases, independent movies, family and kids programming, and specialty VOD networks.

**Varsity TV** – The only 24-hour network dedicated to teenagers, featuring teen-created and professionally produced programming.

**MTV Networks** – Includes CMT, Comedy Central, LOGO, MTV, MTV2, MTV Hits, MTV Jams, MTV Español,

Nickelodeon, Nick at Nite, Nick2, Nicktoons, GAS Noggin/The N, Spike TV, TV Land, VH1, VH1 Classic, VH1 Country, VH1 Soul and VH Uno. Also included are MTV's channels specifically designed to super-serve ethnic populations in the U.S. including: MTV Chi, MTV Desi, and MTV K.

**Gospel Music Channel** – The first 24-hour network devoted to all styles of gospel music.

**Soundtrack Channel** – Featuring music videos from movie and television soundtracks.

**MavTV** – A new network targeting men aged 15-24, with an emphasis on sports and gaming.

**Go!TV** – The only bilingual (English/Spanish) channel in the U.S. dedicated to soccer.

**Si TV** – The only English-language Latino network in the nation featuring hip and irreverent culturally relevant programming.

**TuTv** – A joint venture between Grupo Televisa and Univisión, offers Spanish language channels that include De Película, De Película Clásico and Telehit.

**Canal SUR** – The unique source for news broadcasts from Mexico or Central or South America or the Caribbean.

**TVE Internacional** – The No. 1 network from one of the biggest Spanish-language media companies. Features award-winning, high-quality programming including dramas, comedies, Spanish-language films, kids programming and news.

**Infinito** – Infinito is the only Spanish language channel that reveals the unknown, the unexpected and the most unexplored territories of knowledge.

**Cine Latino** – The complete movie network with the most Spanish-language movies of any channel.

**Cine Mexicano** – The only contemporary Spanish language Mexican movie network featuring dramas, comedies and action adventure films.

**La Familia Cosmovisio (LFC)** – Provides a unique, Spanish-language alternative for families, with wholesome entertainment that honors the Hispanic culture.

**TV Chile** – A leading Spanish language channel with programming appropriate for all age groups.

**TV Colombia** – A 24 x 7 Spanish language channel for the entire family, with multi-target programming featuring news, sports, live talk shows, variety shows and kids' programs from Colombia's leading broadcasters and content providers.

**EWTN Español** – EWTN Español is the world's largest Spanish Catholic cable network enjoyed by millions in Latin America and now in the U.S. EWTN Español offers family-oriented, spiritual-growth programming from a Catholic point of view.

**Black Entertainment Television** – Includes BET, BET Jazz and BET Gospel.

**Black Family Channel** – Entertainment, sports, informational, and inspirational programming for African-American and urban families.

**TV One** – Offers a broad range of lifestyle and entertainment-oriented original programming, classic series, movies, fashion and music that focus on African American themes, issues, culture and politics.

**The America Channel** – Programs will explore and celebrate America, its communities and heroes.

**The Sundance Channel** – Sundance Channel offers audiences a diverse and engaging selection of films, documentaries and original programs, all uncut and commercial-free.

**BlackBelt TV** – 24-hour martial arts action-entertainment cable network.

**Home Shopping Network** – Includes HSN and America's Store.

**Expo TV** – The first TV network offering interactive, on-demand shopping for popular products.

**Jewelry Television** – The only home shopping network to focus exclusively on the sale of fine jewelry and gemstones.

**Ovation, The Art Network** – The nation's only television network with a full schedule of programming devoted exclusively to the arts.

**Oxygen** – Oxygen is a leading creator of programming for younger women. It is the only cable network owned and operated by women.

**LIME** – Network that speaks to a growing community that wants to lead a healthier, greener, balanced life.

**The Pentagon Channel** – Dept. of Defense channel broadcasting military news and information.

**GSN, the Network for Games** – The only U.S. TV network dedicated to game-related programming.

**Gemstar-TV Guide** – Includes the TV Guide Channel, a television entertainment and program guide network, as well as TVG Network, the premier live interactive horseracing network.

**HDNet** – The first national television network broadcasting all of its programming in high definition, including original series, sports and licensed programming. Also includes HDNet Movies, offering a commercial-free schedule of full-length feature films.



March 17, 2006

# **ATTACHMENT B**

# Verizon FiOS TV

## VIDEO CHOICE FOR CONSUMERS



## **Verizon Wants to Bring Video Choice to Consumers The FCC Should Act to Encourage Innovation Without Unnecessary Delays.**

In 2004, Verizon began a massive upgrade of its network to offer fiber to the premises (FTTP), an all-fiber network with sufficient capacity to meet consumers' voice, data, and video communications needs for decades to come. By the end of 2005, Verizon passed three million homes and businesses with FTTP in almost 800 communities spread out over 16 states. Verizon plans to double this number in 2006 to six million, and expects to continue this deployment over the next several years.

The customers currently served by Verizon's FTTP can receive voice service and Verizon's FiOS broadband data services – with download speeds currently ranging from 5 to 30 megabits-per-second. Starting last September in Keller, Texas, Verizon also began offering its FiOS TV video services in some communities where it has been awarded a video franchise.

So far, Verizon has obtained 40 local cable franchises for FiOS TV from Local Franchising Authorities (LFAs) in California, Delaware, Florida, Maryland, Massachusetts, New York, Pennsylvania, and Virginia. In addition, Verizon has franchise agreements for much of its service

territory in Texas due to statewide, streamlined franchising legislation. To put that in perspective, Verizon estimates that it will need as many as 3,500 franchises to provide video services.

Verizon's FiOS TV has made a competitive splash. FiOS TV is more than cable. FiOS TV provides consumers with advanced features made possible by its fiber network and its state-of-the-art Internet Protocol (IP) Platform. Customers can currently receive nearly 400 digital video and music channels, more than 20 high definition channels, and 2,000 video-on-demand titles. And Verizon's lead offer is competitively priced at \$39.95 per month.



***In areas where FiOS TV is now available, incumbent cable operators have offered price cuts of 28 to 42%***

***Source: Bank of America Equity Research, Battle for the Bundle, 1/23/06***

## ▼ The Competitive Response

As would be expected, competition has led to swift and substantial benefits for all customers in the newly competitive markets where FiOS TV is available. In areas where FiOS TV is now available, incumbent cable operators have offered price cuts of 28-42 percent, although they generally have “not actively advertised” these discounts or made them available to areas not served by FiOS TV.

***“(Verizon) already appears to have triggered a price war in the region. The local cable operator, Charter Communications Inc., has responded to the upcoming threat by offering attractive premiums. Typically, Charter charges about \$100 a month for high-speed Internet service combined with its top TV package of about 240 digital channels. Since Verizon launched Internet service on its fiber-optic network in Keller, Charter has been offering the two services to new customers in that area for \$50 a month...”***

*Peter Grant, “Getting your MTV From the Phone Company,”  
The Wall Street Journal, 9/21/2005*

Even with the incumbent’s price cut, in the first six months that FiOS TV service was available, 30 percent of homes in Keller, Texas opted to subscribe to FiOS TV.

## ▼ Franchising Impedes Entry

While Verizon’s successes in bringing FiOS TV to market are important and show the consumer benefits of, and desire for, wireline video competition, they have to be viewed in light of Verizon’s overall experience navigating the local franchising process.

Data collected as of March 28, 2006 demonstrates that:

- With respect to the 46 negotiations (outside of Texas) that were ongoing as of December 28, 2004 – Verizon had received only 6 franchises, and three of those six took 15 months or more to complete. In other words, well over 85 percent of those negotiations pending 15 months ago were not complete, and over 90 percent took at least 15 months or more.
- Similarly, of the 113 negotiations that were ongoing as of March 28, 2005, only 10 franchises had been granted. In other words, well over 90 percent of the negotiations pending a year ago were not complete.



## Franchise Facts

- Verizon estimates that it will need between **2,000** and **3,500** franchises. To date, Verizon has a total of **40** franchises in addition to authority it was given to provide service throughout the state of Texas.
- Franchise negotiations are underway in more than **300** jurisdictions in **13** states. If all were approved, Verizon could offer video services to approximately **4.3 million** households.
- Verizon has been engaged in the franchising process now for almost two years. To date, our experience suggests that:
  - In a limited number of cases we secure a franchise in **6 months**.
  - In most cases the process lasts more than **15 months**.
  - Counting pre-negotiation preparations and discussions, which are required for each community, the entire process often takes **18 – 24 months**.

## ▼ *The FCC's Authority*

The FCC has the authority to adopt rules to interpret and enforce the provisions of the Cable Act, and to preempt State or local laws that are contrary to federal law. As the Commission itself tentatively concluded in the Notice of Proposed Rulemaking, it has the authority to implement Section 621(a)(1) of the Cable Act. This section prevents Local Franchise Authorities (LFAs) from unreasonably refusing to award competitive franchises.

## ▼ *Steps to Foster Competition*

As an initial matter, Verizon has made it very clear that it supports several legitimate local government interests. Verizon has committed to paying franchise fees and providing PEG channel capacity consistent with the Cable Act's provisions, and has agreed that it should be subject to the same prohibition on economic "redlining" that applies to cable operators. Verizon also agrees that local governments should retain authority to manage public rights-of-way, and Verizon will work with them in that regard, as it has always done. Consistent with these goals, however, the Commission should address a number of persistent problems with the franchising process that serve no legitimate purpose and that prevent video choice.

1. The FCC should adopt rules that prevent unnecessary delay in the awarding of competitive franchises. As explained above, most franchise negotiations last more than 15 months, and the entire process often takes 18-24 months. The Commission should put a stop to perpetual delays – whether caused by inattentiveness, interference by incumbents, or a franchising authority's efforts to force an applicant to agree to unreasonable terms – by recognizing that any local or state procedures that result in a delay of longer than 4 months are unreasonable and by permitting competitive providers to begin offering service (while continuing negotiations with local officials towards a final franchise) where local authorities have not granted or denied a franchise within that time period.

2. The FCC should clarify that unreasonable and anti-competitive build-out requirements are a significant barrier to entry. For example, even though Verizon typically upgrades its network on

a wire center basis and provides FTTP throughout the area served by the wire center, some franchising authorities seek to require it to provide video services to other areas not served by the wire center. And some authorities have even sought to require Verizon to offer video services to households completely outside of its telephone service area in places where it has no facilities. The Commission should declare that such requirements are inconsistent with the Cable Act and should confirm that a new entrant may define its own franchise area, as long as it does so in a manner that is reasonable and consistent with the Act. When a provider agrees to build-out the area served by a wire center, that should be presumptively reasonable, even if that area does not correspond to an incumbent's franchise area or to the LFA's jurisdictional boundaries.

3. The FCC should confirm that demands for fees or concessions beyond those permitted by the Cable Act unreasonably burden competitive entry and should preempt any attempt by an LFA to impose such fees and concessions that are in excess of the 5% franchise fee limitation. This must include many of the demands for in-kind contributions that LFAs frequently make of a franchise applicant, except to the extent those demands fall within one of the narrow exceptions to the "franchise fee" definition.

4. As mentioned above, Verizon will provide reasonable capacity for PEG channels designated by LFAs. The Commission should confirm, however, that the Cable Act prohibits many of the other demands that some LFAs attribute to "PEG support" -- such as the 3 percent "PEG fee" that some LFAs demand on top of the 5 percent franchise fee. The Cable Act is very specific in the types of PEG demands that an LFA is

permitted to make of a new entrant, and the Commission should enforce those limitations.

5. Citing their authority with respect to "institutional networks," some LFAs make as a condition of franchise approval that the competitive entrant construct broadband data networks for a municipality, or offer free data services to the municipality or to other people or organizations selected by the LFA. The Commission should confirm that these demands go well beyond what the Cable Act permits and are prohibited.

6. Some cable companies have argued that LFAs can impose unreasonable or unlawful conditions because of so-called "level playing field" requirements, which require a new entrant to accept any agreement that a monopoly incumbent has accepted. Many incumbents and some LFAs cite these protectionist rules to justify imposing additional costs and requirements on new entrants. The Commission should recognize that these rules cannot be used to change the character of an otherwise unlawful demand. The Commission must preempt these monopolist-protection requirements if they unreasonably burden competitive entry or otherwise would impose conditions on a new entrant that are contrary to what the Cable Act permits.

7. Finally, the Commission should confirm that local assertions of regulatory control over non-cable services or facilities as a condition of franchise approval are barred. For example, some LFAs have demanded that, as a condition of receiving a franchise, Verizon pay additional fees, or submit to other regulatory control, over the telephone and data services provided over FTTP. Such demands are contrary to federal law.

May 10, 2006



# **ATTACHMENT C**

## **Verizon's Recommendations for Streamlining the Video Franchising Process**

### **(1) Prohibit Unreasonable Delays in the Granting of a Competitive Franchise**

- **Establish a four month deadline.**
  - Four months is an appropriate maximum period of time by which a local franchising authority (LFA) should be required to either grant or deny a franchise.
  - If an LFA fails to either grant or deny a franchise within four months of the initiation of negotiations, the new entrant should be permitted to begin offering video service to customers (although negotiations towards a final franchise with the LFA could continue after that time).

### **(2) Prohibit the Imposition of Unreasonable Build-Out Requirements**

- **Permit competitive providers to define their own franchise areas, provided that such areas are consistent with the Cable Act.**
  - Under the Cable Act, a franchise area does not have to be coextensive with an LFA's jurisdictional boundaries.
  - Wire centers— the basis on which Verizon upgrades its network to fiber – do not correspond to LFA boundaries, but do constitute a reasonable service area, and designation of such an area should be considered presumptively reasonable.

### **(3) Prohibit the Imposition of Unreasonable Fees as a Condition for Granting a Franchise**

- **Confirm that any demands of value or consideration by an LFA – whether denominated as “application fees,” “acceptance fees,” “consultants’ fees” or otherwise – constitute “franchise fees” and should be counted towards the 5 percent annual cap on franchise fees, unless within specific exception.**
  - Any fees or demands of value that are not included in the 5 percent cap and do not fit within the statutory exceptions to the 5 percent cap are contrary to the Cable Act.
  - “PEG support” counts as a franchise fee, except for reasonable support for on-going capital costs to be incurred for PEG access facilities if the provider volunteers to provide such support.

### **(4) Confirm that LFAs do not have broad new authority over the construction, placement and operation of Verizon's mixed-use fiber optic network once video signals are transmitted over that network.**

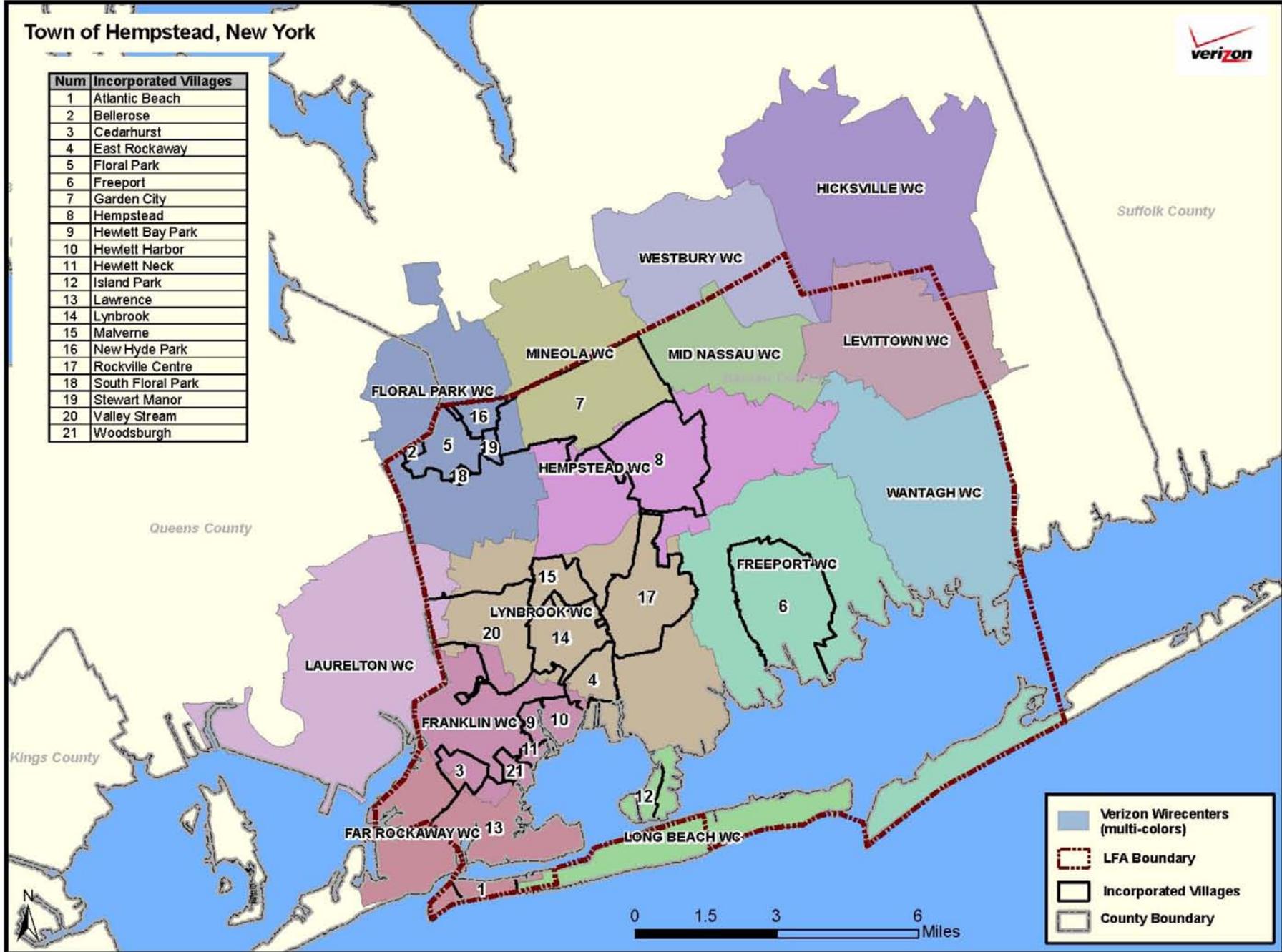
- Verizon deploys its network pursuant to its independent authority as a telecommunications carrier

# **ATTACHMENT D**



# Town of Hempstead, New York

Num	Incorporated Villages
1	Atlantic Beach
2	Bellerose
3	Cedarhurst
4	East Rockaway
5	Floral Park
6	Freeport
7	Garden City
8	Hempstead
9	Hewlett Bay Park
10	Hewlett Harbor
11	Hewlett Neck
12	Island Park
13	Lawrence
14	Lynbrook
15	Malverne
16	New Hyde Park
17	Rockville Centre
18	South Floral Park
19	Stewart Manor
20	Valley Stream
21	Woodsburgh



- Verizon Wirecenters (multi-colors)
- LFA Boundary
- Incorporated Villages
- County Boundary