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December 22, 2006

**Ex Parte**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Portals  
Washington, DC 20554

**Re: Implementation of Section 304 of the Telecommunications Act of 1996, Commercial Availability of Navigation Devices, CS Docket 97-80; Verizon's Petition for Waiver of the Set-Top Box Integration Ban, 47 C.F.R. § 76.1204(a)(1) filed July 10, 2007; CSR-7042-Z**

Dear Ms. Dortch:

Will Johnson and Paul Brigner of Verizon met with Bruce Gottlieb of Commissioner Copps' office today to discuss Verizon's views on the commercial availability of navigation devices, downloadable security, and the Petition for Waiver that Verizon filed on July 10. The discussion was limited to the material contained in Verizon's petition and its filings in the above referenced proceeding. The attached slides on Verizon's network architecture were used to facilitate the discussion, and Verizon provided the attached overview of Verizon's FiOS and FiOS TV deployment.

Please let me know if you have any questions.

Sincerely,

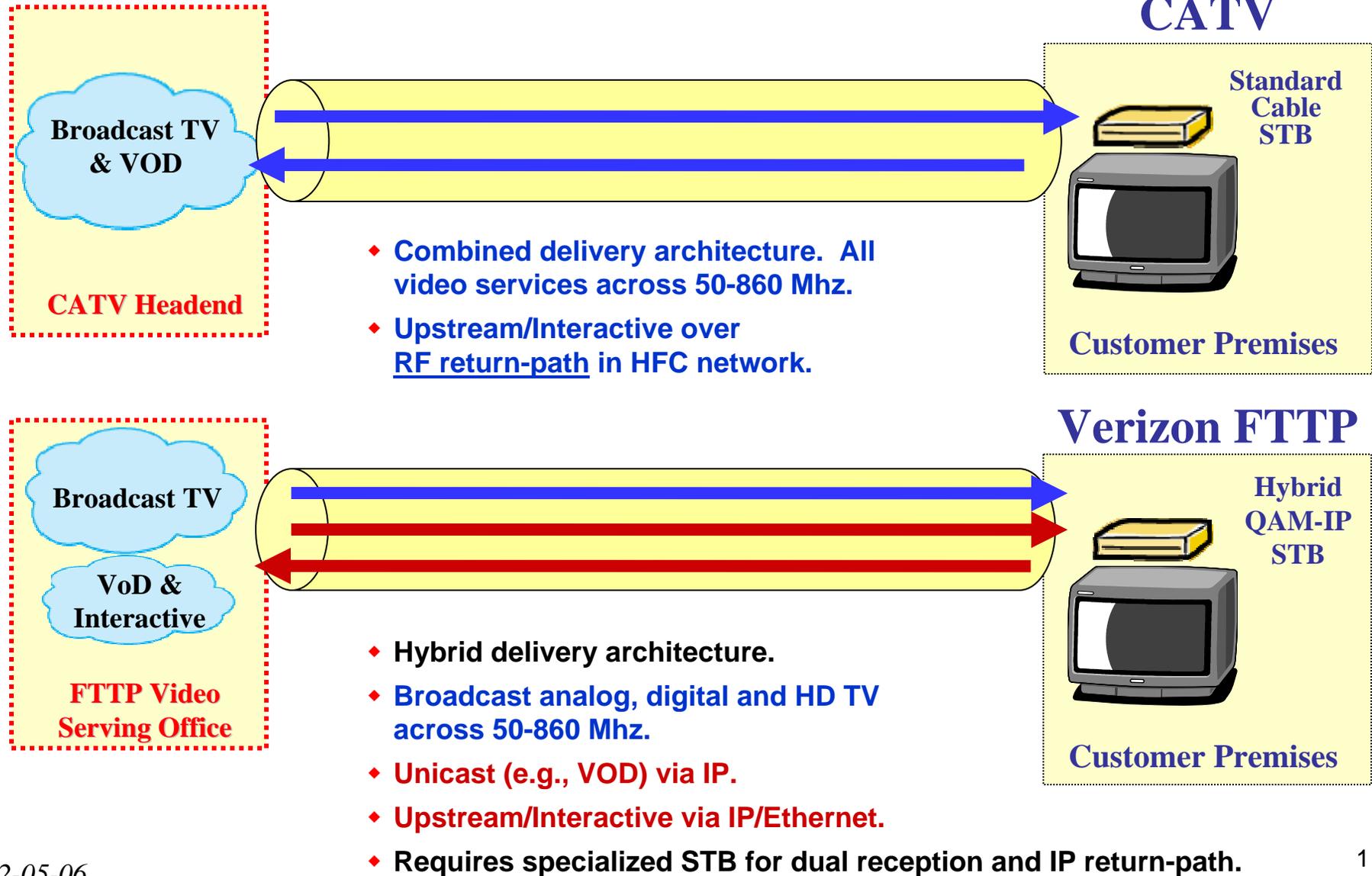
A handwritten signature in black ink that reads "Paul Brigner".

cc: Bruce Gottlieb

Attachments

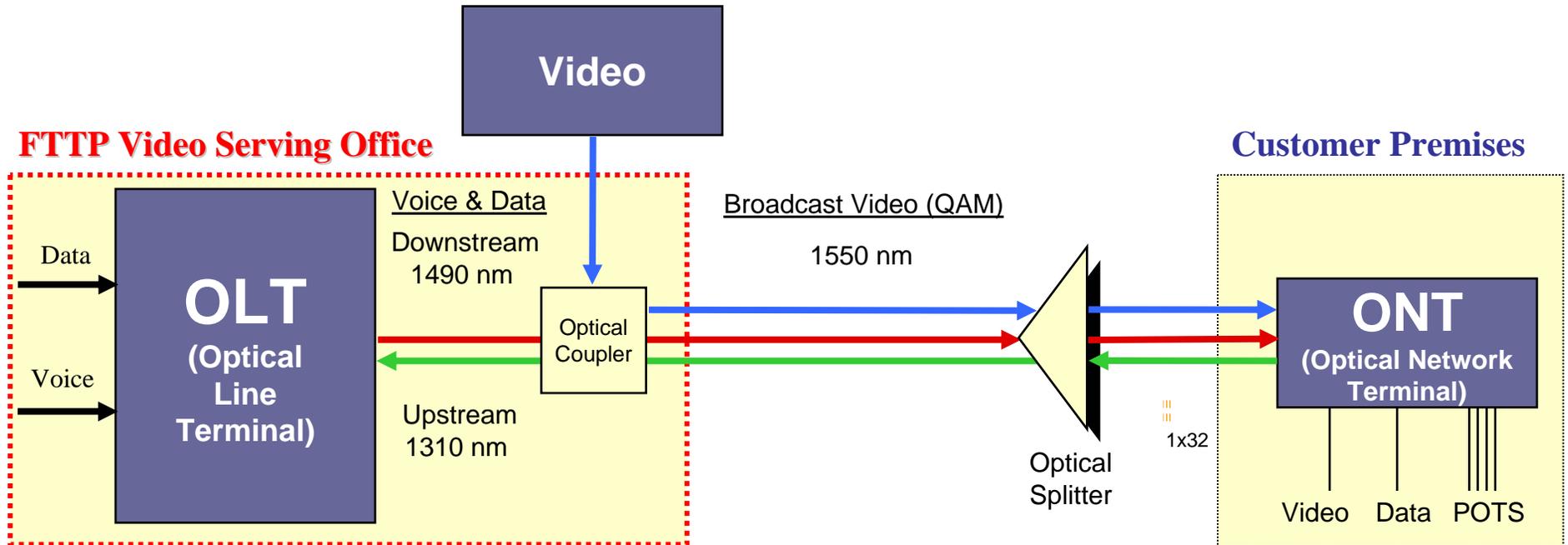
# CATV-Verizon FTTP Comparison

FTTP Video

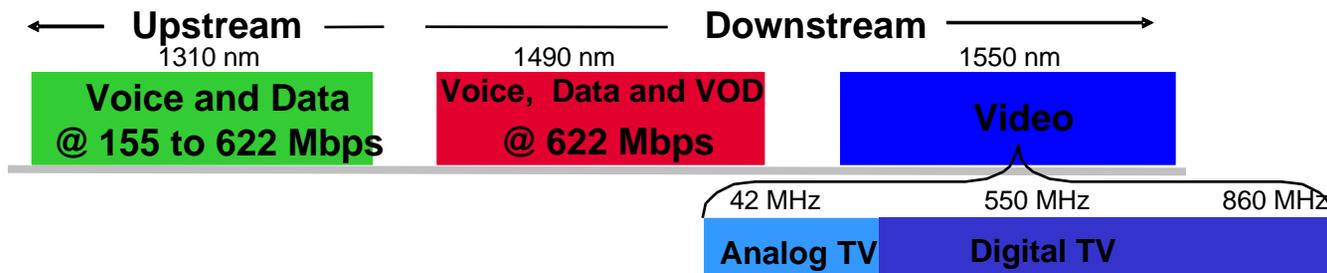


# FTTP Architecture: ITU Standard G.983 Broadband Passive Optical Network

FTTP Video



## Bandwidths & Services





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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 5 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 \$4.99 per month; high definition, which includes HD channels, for \$9.99 per month; and a digital video recorder set-top box with HD channels for \$12.99 per month.

The services include:

- **Basic** – With access to 15-35 local broadcast, weather and community channels, as well as video-on-demand, for \$12.99 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 \$42.99 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 \$32.99 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 \$7.99 a month.
- A movie package, with 44 channels of Starz, Showtime, Encore, The Movie Channel, Flix and Sundance is \$12.99 a month.
- Customers can buy the sports and movie packages together for \$15.99 a month.
- Verizon also offers 14 HBO channels and 12 Cinemax channels as premium services, with each set of channels available for \$15.99. Subscribers who want both HBO and Cinemax pay \$25.99 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.



December 1, 2006