

Dee May
Vice President
Federal Regulatory



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1300 I Street, NW, Suite 400 West
Washington, DC 20005

Phone 202 515-2529
Fax 202 336-7922
dolores.a.may@verizon.com

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
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:

Verizon submits this letter in response to a request from Chairman Martin's office. On March 6, 2006, Verizon filed an errata in this docket correcting its earlier comments concerning its negotiations with a franchising authority in Florida over PEG support. Verizon corrected its comments to state as follows:

When Verizon rejected this demand [to meet the incumbent operator's cumulative payments for PEG, which would exceed \$ 6 million over 15 years,] and asked for an explanation, the LFA provided a summary "needs assessment" in excess of \$13 million for both PEG support and equipment for an expansion of its I-Net.

The March 6, 2006 filing further corrected one paragraph of the earlier declaration attached to Verizon's comments in order to state:

For example, one franchising authority in Florida demanded that Verizon match the incumbent cable operator's cumulative PEG payments, which would exceed \$6 million over the 15-year term of Verizon's proposed franchise. When Verizon rejected this demand and inquired as to its basis, the LFA stated it was Verizon's portion of a \$13 million "needs assessment" for both PEG and equipment for an expansion of its I-Net. The LFA stated this was based on a back-of-the-envelope "needs assessment." Negotiations with this LFA are still ongoing.

Attached is a copy of the "summary 'needs assessment'" referenced by Verizon in the March 6 filing. This document was provided to Verizon by the City of Tampa during the course of franchise negotiations.

Respectfully submitted,

A handwritten signature in black ink that reads "Dee May".

Attachment

cc: D. Gonzalez
M. Desai

R. Harold
T. Lipper

H. Dixon

**PEG AND I-NET COMMUNITY NEEDS OVER THE NEXT 15 YEARS NOT
CURRENTLY BEING MET**

PEG Capital:

Public Access	\$500,000
Educational Access	\$500,000
Gov't. Access	<u>\$500,000</u>
TOTAL	\$1.5 million

I-NET Related Expansion and Equipment Costs:

TOTAL - \$4,775,000

Public and Educational Access Operational (over 15 years)

PUBLIC - \$2,850,000
EDUCATIONAL - \$4,500,000

TOTAL: \$13,625,000