LAWYERS

Davis Wright Tremaine LLP

ANCHORAGE BELLEVUE LOS ANGELES NEW YORK PORTLAND SAN FRANCISCO SEATTLE SHANGHAI WASHINGTON, D.C.

K.C. HALM
DIRECT (202) 828- 9887
kchalm@dwt.com

SUITE 200
1919 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006-3485

TEL (202) 659-9750
FAX (202) 452-0067
www.dwt.com

March 5, 2007

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: **Petitions of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Boston, New York, Philadelphia, Pittsburgh, Providence and Virginia Beach Metropolitan Statistical Areas, WC Docket No. 06-172**

Dear Ms. Dortch:

In connection with the above referenced matter, enclosed please find an electronic copy of the Opposition of Monmouth Telephone & Telegraph, Inc. Original copies of the Declaration of Kenneth Leland will be delivered to your office under separate cover.

Please do not hesitate to contact me with any questions you may have regarding this matter.

Very truly yours,

Davis Wright Tremaine LLP

K.C. Halm
Counsel for Monmouth Telephone & Telegraph, Inc.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the New York and Philadelphia Metropolitan Statistical Areas	)))))	WC Docket No. 06-172

OPPOSITION OF MONMOUTH TELEPHONE & TELEGRAPH, INC.

K.C. Halm
Christopher W. Savage
DAVIS WRIGHT TREMAINE LLP
1919 Pennsylvania Ave., NW, Suite 200
Washington, D.C. 20006
Phone: (202) 659-9750
Fax: (202) 452-0067
chrissavage@dwt.com
kchalm@dwt.com

Dated: March 5, 2007

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
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Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the New York and Philadelphia Metropolitan Statistical Areas	)))))	WC Docket No. 06-172

OPPOSITION OF
MONMOUTH TELEPHONE & TELEGRAPH, INC.

I. Introduction

Monmouth Telephone & Telegraph, Inc. ("Monmouth") hereby files these comments in opposition to the request for forbearance filed by the Verizon Telephone Companies ("Verizon") in the above referenced docket.[1] Specifically, Monmouth opposes the request for relief from unbundling obligations under Section 251(c)(3) in those portions of the New York and Philadelphia MSAs which include service areas in New Jersey LATAs 222 and 224, where Monmouth operates.

As described in the attached "Declaration of Kenneth Leland," Verizon is the only available supplier of the wholesale inputs that Monmouth needs to serve end users – specifically, DS1 loops and interoffice transport – in the parts of northern and central New Jersey where Monmouth operates. Even if Verizon faces a high degree of retail level competition – and Monmouth believes that Verizon has exaggerated the amount of

[1] *See* PETITION OF THE VERIZON TELEPHONE COMPANIES FOR FOBEARANCE PURSUANT TO 47 U.S.C. § 160 IN THE NEW YORK METROPOLITAN STATISTICAL AREA, WC Docket 06-172 (filed Sept. 6, 2006) (hereinafter "Petition"). Unless otherwise indicated, references to the Verizon Petition in this document include the Verizon Petitions seeking forbearance in both the New York and Philadelphia MSAs.

retail competition it faces – the fact remains that there are no realistic alternatives available to Monmouth to obtain the wholesale-level inputs it needs, in the geographic areas in which it operates. As a result, forbearance with respect to those areas of northern and central New Jersey located within the New York and Philadelphia MSAs would not be warranted under the applicable statutory standards: enforcement of Verizon's unbundling obligations is still "necessary to ensure" that loops and transport remain available on reasonable terms, 47 U.S.C. § 160(a)(1), and forbearance would neither "promote competitive market conditions" nor "enhance competition," 47 U.S.C. § 160(b). It would instead degrade and possibly even eliminate the ability of Verizon rivals that rely on UNE inputs, such as Monmouth, to continue to compete.

More generally, Verizon's request should be denied because Verizon has failed to provide evidence sufficient for the Commission to conclude that forbearance is necessary or appropriate. In addition, the request is overbroad in that it seeks relief for entire MSAs, rather than on a wire center by wire center basis. Finally, forbearance from unbundling obligations would be contrary to certain conditions related to unbundling imposed upon Verizon following its merger with MCI Communications.

II. Standard of Law

Before the Commission can grant Verizon the relief requested in its New York and Philadelphia Petition(s)[2] Verizon must proffer specific and concrete evidence, on a granular level, that the three prongs of the statutory forbearance standard will be satisfied. Pursuant to Section 10(a) of the Act, 47 U.S.C. § 160, the Commission may not grant the forbearance from any provision of the Act or Commission regulation unless and until the Commission finds that all three conditions have been satisfied.

[2] *Id.*

Accordingly, the Commission must affirmatively determine that: (1) enforcement of the provision or regulation is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with that telecommunications carrier or telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory; (2) enforcement of the provision or regulation is not necessary for the protection of consumers; and, (3) forbearance from applying the provision or regulation is consistent with the public interest.

Under this final prong, in conducting its public interest analysis, the Commission must consider whether forbearance will "promote" and "enhance" competition among and between Verizon and other providers of telecommunications services. *Id.* at § 160(b). Thus, the public interest analysis must include a consideration not merely of the current state of competition in the market, but also whether forbearance will actually ***improve*** competitive conditions.[3]

III. Verizon's Request for Relief Is Overbroad and Inconsistent with the Scope of Relief Granted in Previous Decisions

Before addressing the overall merits of Verizon's request and the evidence offered in support of it, Monmouth takes issue with the ***scope*** of relief requested by Verizon in its Petition. Specifically, although Verizon has requested forbearance in the New York and Philadelphia MSAs in a manner "that is parallel to the relief granted in the *Omaha Forbearance Order*"[4] it also asks the Commission to forbear from loop and transport unbundling regulation on an MSA-wide basis: "Verizon requests that the

[3] The statute does not limit the scope of this consideration – that is, enhancing competitive conditions – to intermodal competitors, but instead requires the Commission to consider the impact on all competitors – whether entirely facilities-based, UNE-reliant or some combination thereof.

[4] Petition at 30.

Commission … forbear from loop and transport unbundling … in the New York, [Philadelphia] MSA.[5]

However, forbearance from unbundling obligations on an MSA-wide basis is decidedly ***not*** parallel to the relief granted in the Omaha Forbearance Order. As this Commission well knows, analysis of unbundling obligations has always occurred on a very granular level, on an individual wire center basis.

Historically, the Commission has employed different geographic market definitions to carry out the differing statutory, economic, and policy goals implicated in different proceedings.[6] However, the question of whether certain network elements should be made available on an unbundled basis necessarily implicates issues of self-provisioning of those same network elements by competitors. In such cases, "the Commission has focused its analysis on wire centers."[7] That, of course, is the approach used by the Commission in analyzing Qwest's unbundling obligations in the Qwest Omaha Forbearance proceeding.[8] Although Qwest had sought relief on an MSA-wide basis, the Commission appropriately rejected that request as overbroad and instead considered the questions on a wire center by wire center basis.[9]

The Commission also used that framework in the more recent ACS of Anchorage Forbearance proceeding. There the Commission explained that "as in the *Qwest Omaha*

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[5] Petition at 30.
[6] *Petition of Qwest Corporation for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Omaha Metropolitan Statistical Area*, Memorandum Opinion and Order, WC Docket No. 04-223, 20 FCC Rcd 19415, n. 129 (2005) ("*Qwest Omaha Forbearance Order*").
[7] *Id.*
[8] *Id.* (citing *Triennial Review Remand Order, 20 FCC Rcd at 2581-85,* paras. 79-85 (analyzing dedicated transport impairment at the "very detailed level" of specific routes between wire centers); *see also id. at 2619-25,* paras. 155-65 (conducting a wire center-based impairment analysis for high capacity loops)).
[9] *Id.* at n. 161 (noting that it is "consistent with the Commission's precedent, to make findings ***on a wire center basis***.") (emphasis added).

Order, we conclude that it is appropriate for us to use the wire center service area as the relevant geographic market."[10] Citing the varying conditions across the Anchorage study area, the Commission once again concluded that it is more "appropriate to analyze competitive conditions more granularly, by wire center service areas,"[11] rather than larger metropolitan service areas (or MSAs).

Thus, the standard for defining the appropriate geographic market for analysis of the unbundling issues raised in this proceeding is well established. Consistent with its previous decisions on that question the Commission must focus on individual wire centers, rather than broader service areas or MSAs, when determining whether Verizon has presented sufficient evidence to conclude that each of the prongs of Section 10(a) are satisfied. Accordingly, to the extent that the Commission finds that Verizon is entitled to any forbearance relief in the New York MSA – and it should not so find – that relief should be on the same granular level as that which was granted to Qwest in Omaha, and ACS in Anchorage, on a wire center basis.

IV. There Are No Viable Alternative Wholesale Providers in Those Portions of LATAs 222 and 224 in the New York and Philadelphia MSAs

Verizon's presentation focuses on the extent to which it faces competition in the retail marketplace and basically assumes that retail competition will justify wholesale-level deregulation. Monmouth's business depends on having access to wholesale inputs – UNE DS1 loops and interoffice transport – on reasonable terms, so Monmouth is keenly aware of the state of competition not only at the retail level (in the small- and

[10] *In the Matter of ACS of Anchorage, Inc. Pursuant to Section 10 of the Communications Act of 1934, as Amended, for forbearance from Sections 251(c)(3) and 252(d)(1) in the Anchorage Study Area*, Memorandum Opinion and Order, WC Docket 05-281, FCC 06-188 at ¶ 14 (Jan. 30, 2007) ("*ACS Forbearance Order*").
[11] *Id.* at ¶ 16.

medium-sized business market on which Monmouth focuses) but also at the wholesale level. The Commission should be aware that, to the extent that retail competition exists in northern and central New Jersey, that retail competition ***does not*** translate into competitive alternatives to Verizon at the wholesale level. As a result, granting Verizon's petition with respect to those portions of the New York and Philadelphia MSAs that cover northern and central New Jersey will, in practical terms, do nothing to enhance competition; it will simply allow Verizon to impose additional costs on Monmouth and similarly situated entities. This will degrade competition.

Indeed, as demonstrated by the attached Declaration of Kenneth Leland, there are no viable competitors to Verizon in New Jersey (including in those portion of the New York and Philadelphia MSAs located in northern and central New Jersey) for the provision of wholesale network facilities, including DS1 loops and interoffice transport. As noted in the Leland Declaration, in the overwhelming majority of cases Verizon is the only provider of wholesale DS1 loop and transport circuits that reach small and medium size enterprises in New Jersey.[12] Therefore, if Verizon is no longer required to unbundle such facilities, competitive LECs that rely on unbundled loops and transport will not be able to provide competitive services to the enterprise market in those areas where the Commission grants relief.[13]

Further, Verizon's claims regarding the extent of retail competition in the New York and Philadelphia MSAs, do not adequately address competition for small and

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[12] Declaration of Kenneth W. Leland on behalf of Monmouth Telephone & Telegraph, Inc. Regarding Competition in the State of New Jersey at 4-5, ¶ 12, WC Docket No. 06-172 (filed March 5, 2007) ("Leland Declaration").

[13] *Id.* at ¶ 13. Further, in those limited instances where another entity, other than Verizon, provides access to interoffice transport facilities the cost of such access is significantly higher than that which is available from Verizon on a wholesale basis.

medium sized business customers. As noted in the Leland Declaration, although cable operators have relatively robust network facilities extending to their residential customers, typically cable operators do not have extensive facilities reaching the small- and medium-sized business customers that are the focus of Monmouth's services.[14] Nor do cable operators make such facilities available to competitive providers on a wholesale basis. Finally, it would be cost prohibitive for competitive LECs, like Monmouth, to attempt to deploy their own DS1 loop and transport facilities throughout those parts of northern and central New Jersey that are within the New York and Philadelphia MSAs.[15]

In sum, at present and for the foreseeable future, Monmouth has no realistic alternative suppliers of the wholesale inputs Monmouth needs, other than Verizon. It is impossible to conclude that the pro-competitive standards of Section 10 would be met by granting Verizon's petition, in these circumstances.

V. Verizon Has Failed to Provide Evidence Necessary to Demonstrate That Forbearance Is Justified

The Commission has previously acknowledged that a decision to forbear must be based upon "a record that contains more than broad, unsupported allegations of why [the forbearance] criteria are met."[16] Indeed, the decision in the *ACS Forbearance Order* was also narrowly tailored to specific instances of record evidence[17] that supported the Commission's findings, and the Commission expressly declined to act to forbear from

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[14] *Id.* at 7, ¶ 18.
[15] *Id.* at 8, ¶ 20.
[16] *In the Matters of Bell Operating Companies Petitions For Forbearance From The Application of Section 272 of the Communications Act of 1934 to Certain Activities,* CC Docket 96-149, Memorandum Opinion and Order, DA98-220 at ¶16 (1998).
[17] *ACS Forbearance Order* at ¶ 21.

applying Section 251(c)(3) unbundling obligations where there was "insufficient evidence in the record."[18]

In the *Omaha Forbearance Order*, the Commission granted forbearance from Section 251(c)(3) loop and transport unbundling obligations ***only*** in those wire centers where it determined that facilities-based competition for telecommunications services was sufficiently developed that access to UNEs was no longer necessary to ensure that Qwest's prices, charges practices, classifications and regulations remain just and reasonable and not unjustly or unreasonably discriminatory.[19] Further, the Commission reviewed the state of competition in both the retail and wholesale markets on a granular wire center basis.[20] Indeed, as noted above, the relief granted to Qwest was narrowly tailored and directly tied to those wire centers where a competitor's voice services were available to a certain percentage of the end user locations accessible from those wire centers.[21] The Commission followed this approach of granting only narrowly tailored relief in the *ACS Forbearance Order* as well.[22]

However, unlike the evidence submitted in those decisions, Verizon has not provided meaningful wire center specific data that would allow the Commission to undertake a similar analysis for the New York or Philadelphia MSAs. Instead, in support of its request Verizon devotes much of its pleadings to a recitation of the varying types of competitors entering the retail market to compete with Verizon. In lieu of any evidence

[18] *Id.* at ¶ 23.
[19] *Qwest Omaha Forbearance Order* at ¶ 63. The actual percentages are confidential and proprietary.
[20] *Id.* at ¶¶ 25, 65.
[21] *Id.* at ¶ 62.
[22] *ACS Forbearance Order* at ¶¶ 14-16, 21-23 (forbearance relief granted only in wire center service areas where competitor's voice-enabled cable plant covered certain percentage of end user locations accessible from the wire center)

of wholesale competition in these markets, Verizon points to the existence of cable, wireless, and over-the-top VoIP providers to support its claim that retail competition is "robust and rapidly growing."[23] Indeed, Verizon also asserts that competition in the New York[24] and Philadelphia[25] MSA is more advanced than it was in Omaha.

But these sweeping assertions are simply not supported by any real data. Instead, Verizon fills its Petition with expansive assertions from its own experts regarding the state of competition. Such assertions cannot, and do not, stand on their own as record evidence necessary for the Commission to make a determination on Verizon's forbearance requests. Accordingly, because Verizon has failed to support its request with the data necessary to analyze and consider its request for relief the Commission must deny the request.

Indeed, Verizon rather conspicuously fails to provide any evidence concerning the total number of UNE loops and transport that competitors purchase from Verizon in order to provide competing telecommunications services. Notably, though, Verizon did provide the number of voice grade equivalent lines served using Verizon's Wholesale Advantage service (the commercially negotiated UNE-P replacement product) and the number of Verizon voice grade equivalent lines being resold by competitors.[26] However, Verizon offered no evidence regarding the number of UNE lines purchased by CLECs and used to provide competing telecommunications services. Of course, the more that Verizon's claims of intense competition arise from rivals using the very UNEs that Verizon wants to be excused from providing at TELRIC rates, the less any such

[23] Petition at 3-14.
[24] *Id.* at 2, 26.
[25] *Id.* at 2, 26.
[26] *Id.* at 15.

competition actually supports Verizon's arguments. Given this, Verizon's blatant omission of key data – data plainly in Verizon's control – suggest that the number of UNE lines used to provide competing telecommunication service is sufficiently high to undermine Verizon's assertions.

Verizon may argue that the Commission need not consider the effect of competitive telecommunications services offered over UNE loops and transport in this proceeding, because the Commission did not do so in the Omaha Forbearance proceeding. But it would be a mistake to follow that approach here. In fact, in the Omaha Forbearance proceeding the Commission declined to account for competitive services provider over UNE loops and transport because the Commission concluded that services provisioned in that manner made up "only a fraction" of the overall local exchange and exchange access market in the MSA.[27] But the Commission made clear that its decision did not consider the "situation where the incumbent LEC's primary competitor uses unbundled network elements (UNEs), particularly unbundled loops, as the primary vehicle for serving and acquiring customers."[28]

The same approach is not warranted here. If the Commission does not know how many competitive lines are served via UNE loops, and what percentage of the total number of competitive lines that represents, the Commission would be hard pressed to make the public interest findings necessary under Section 10(a) and (b). This is especially so since the public interest analysis under Section 10(b) must consider whether

[27] *Omaha Forbearance Order* at ¶ 68.
[28] *Id.* at n. 4.

forbearance "will enhance competition among providers of telecommunications services."[29]

While Verizon claims that competitors are "providing mass market voice service to wire centers that account for [] percent of Verizon's residential access lines;" that "there are at least one or more known competing fiber providers" in [] percent of wire centers in New York that "represent approximately [] percent of Verizon's retail switched business lines;" and that "competing carriers are serving business customers in [] percent of the wire centers in New York and these wire centers account for [] percent of Verizon's retail switched business lines in the MSA,"[30] Verizon does not identify any of the wire centers to which it refers or identify any of the competitors allegedly providing voice service accessible to end users served by those wire centers. Without this information, Verizon's allegations cannot be independently verified and, therefore, must be rejected.

Similarly, Verizon has not submitted the necessary evidence to demonstrate that forbearance from its unbundling obligations warrants a conclusion that all three prongs of the forbearance standard are satisfied. In particular, Verizon offers ***no proof*** of the existence of any alternative providers of wholesale cost-based facilities in either the New York or Philadelphia MSA. Indeed, the only evidence that Verizon offers in this regard is that "there is extensive facilities-based ***retail*** competition in the New York [and

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[29] 47 U.S.C. § 160(b).

[30] Lew/Verses/Garzillo Declaration at ¶¶ 7, 10-11, 46-47. The actual percentages cited by Verizon have been omitted because Verizon has asserted that the information is confidential and proprietary.

Philadelphia] MSA."[31] Thus, Verizon implicitly concedes that competition at the wholesale level is *de minimis*, at best.

Nor does Verizon submit proof of any other indices that might inform the Commission's analysis. For example, Verizon could have provided the percentage of end user locations accessible from any specific wire center that facilities-based competitors are capable of serving. This it did not do. Nor does Verizon provide any evidence to demonstrate whether any competitor in any wire center is providing voice service using unbundled loops or transport purchased from Verizon.

Without this information, the Commission cannot possibly determine whether forbearance from enforcing the Section 251(c)(3) unbundling obligation in any wire center is in the public interest, and "will enhance competition among providers of telecommunications services."[32] Indeed, the Commission has acknowledged that it is nonsensical to grant forbearance relief based upon competition supported by the unbundling obligations for which relief is sought: "[g]ranting Qwest forbearance from the application of Section 251(c)(3) on the basis of competition that exists only due to section 251(c)(3) would undercut the very competition being used to justify the forbearance."[33] This conclusion is especially pertinent where the incumbent continues to serve as the dominant provider of wholesale inputs. That, of course, is exactly the case in both the New York and Philadelphia MSAs, where Verizon has conceded that it is one of the largest wholesale suppliers to competing carriers in the enterprise market.[34]

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[31] Petition (New York) at 14; (Philadelphia) at 14 (emphasis added).
[32] Section 10(b), 47 U.S.C. § 160(b).
[33] *See Omaha Forbearance Order* at ¶ 68, n.185.
[34] Lew/Verses/Garzillo New York Declaration at ¶¶ 44-45; Philadelphia Declaration at ¶¶ 40-41.

To make up for the lack of any competition at the wholesale level, Verizon states that it has made "attractive" wholesale offerings available to CLECs.[35] Although it is not at all clear what Verizon considers to be an "attractive" wholesale offering, it is quite clear that the commercial agreements offered by Verizon in recent years (in lieu of unbundling arrangements) are significantly less advantageous, and more costly, for the competitive LECs that are party to such commercial agreements.

Thus, because Verizon has failed to proffer the evidence necessary for the Commission to engage in the granular, wire center analysis that it must undertake, Verizon's request for forbearance from its unbundling obligations under Section 251(c)(3) must be denied. Moreover, even on the basis of the *de minimis* evidence submitted to date by Verizon, it is clear that forbearance would neither protect consumers, promote competitive market conditions, nor enhance competition in the New York or Philadelphia MSAs.

In addition, continued enforcement of Section 251(c) unbundling obligations remains necessary to ensure that Verizon's wholesale rates, terms and conditions are just and reasonable. Were the Commission to decline to impose such obligations, Verizon would have the incentive, and the ability, to force its competitors out of the market by increasing the costs of facilities used by Verizon competitions to provide services to their end users. Such an event would seriously undermine competition in these markets, and would ultimately result in price increases where Verizon was not constrained by competition from UNE-based competitors.

Forbearance does not serve the public interest or promote competitive market conditions where, as here, it will result in an increase in prices to the facilities used by

[35] *Id.*

competitors to compete directly with Verizon. As the Commission has explained, where "the result of forbearance would be higher costs for competitive LECs which could impair their ability to enter and compete in local markets, we cannot find that forbearance would promote competitive market conditions."[36] Thus, the Commission must consider and address the impact of forbearance on competitive LECs that utilize wholesale inputs from Verizon to compete with Verizon.

VI. The FCC Has Imposed Conditions on the Verizon-MCI Merger That Preclude the Relief Requested Here

Verizon's request for forbearance from its statutory and regulatory obligations to offer unbundled loops and transport is irreconcilable with its voluntary commitment to continue to provide UNEs at stable rates following Verizon's merger with MCI. The Commission incorporated that commitment as a condition of its approval of its merger with MCI.[37] Significantly, Verizon did not acknowledge this commitment in its Petition nor explain how the nullification of the merger condition through forbearance from the obligation to offer unbundled loops and transport can be reconciled with the Commission's findings in the *Verizon/MCI Merger Order*. That condition precludes granting Verizon any relief from its Section 251(c)(3) unbundling obligations before January 2008.[38]

As an express condition of the FCC's approval of its merger with MCI, Verizon voluntarily made certain commitments which the Commission not only accepted, but also

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[36] *In the Matter of the 1998 Biennial Regulatory Review – Review of Depreciation Requirements for Incumbent Local Exchange Carriers*, Report and Order, 15 FCC Rcd 242, at ¶ 63 (1999).
[37] Because Verizon has not requested forbearance from its obligation to provide UNE loops and transport at cost-based rates pursuant to Section 271(c)(2)(B)(ii), forbearance from enforcing Section 251(c)(3) would not relieve Verizon from its Section 271 obligations.
[38] *In the Matter of Verizon Communications Inc. and MCI, Inc. Applications for Approval of Transfer of Control*, WC Docket No. 05-75, Memorandum Opinion and Order, FCC 05-184, Appendix G (released November 17, 2005) ("*Verizon/MCI Merger Order*").

adopted as conditions of approval of the merger.[39] The Commission specifically found that Verizon's commitments "will serve the public interest"; and, most notably, the Commission approved the merger based on Verizon's promise to refrain from seeking UNE rate increases for two years.[40]

Clearly, granting Verizon forbearance from the loop and transport unbundling obligations, as Verizon requests, would contravene this merger condition. By incorporating Verizon's commitment as a condition of approval of the merger, the Commission is duty bound to enforce that provision and deny any subsequent request that contravenes, or undermines, the condition.

Verizon filed its forbearance Petition on September 6, 2006, eight months into the twenty-four month life of the merger condition. The one-year statutory deadline for the Commission to act on the Petition expires on September 5, 2007, well before the merger condition expires. Thus, Verizon is bound by the terms of that merger condition for the entire length of the term of the conditions, and it would be inappropriate for the Commission to eliminate those conditions before the merger conditions sunset. The Commission has already determined that the public interest will be served by Verizon's continuing to make available UNE loops and transport at existing rates through January 2008.[41] Forbearance from enforcing the obligation to provide UNE loops and transport prior to that date cannot simultaneously serve the public interest.

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[39] *Verizon/MCI Merger Order*, Appendix G.

[40] "For a period of two years, beginning on the Merger Closing Date, Verizon's incumbent local telephone companies will not seek any increase in state-approved rates for unbundled network elements (UNEs) that are currently in effect, provided that this restriction shall not apply to the extent that any UNE rate currently in effect is subsequently deemed invalid or is remanded to a state commission by a court of competent jurisdiction. . . ." *Verizon/MCI Merger Order*, Appendix G.

[41] *Verizon/MCI Merger Order* at ¶215 and Appendix G.

VII. Conclusion

For the foregoing reasons, the Commission should deny the request of the Verizon Telephone Companies to forbear from the unbundling obligations of Section 251(c)(3) in the New York and Philadelphia MSAs.

Respectfully submitted,

K.C. Halm
Christopher W. Savage
DAVIS WRIGHT TREMAINE LLP
1919 Pennsylvania Ave., N.W., Suite 200
Washington, D.C. 20006
(202) 659-9750 (phone)
(202) 452-0067 (fax)

On behalf of
Monmouth Telephone & Telegraph, Inc.

Dated: March 5, 2007