

Nneka Ezenwa
Director
Federal Regulatory Affairs



1300 I Street, NW
Suite 400 West
Washington, DC 20005
(202) 515-2466
(202) 336-7922 (fax)
nneka.n.ezenwa@verizon.com

May 8, 2009

Ex Parte

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

Re: *Petition of Verizon New England Inc. for Forbearance Pursuant to 47 U.S.C. § 160(c) in Rhode Island (WC Docket No. 08-24); Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in Cox's Service Territory in the Virginia Beach Metropolitan Statistical Area (WC Docket No. 08-49)*

Dear Ms. Dortch:

Verizon has previously explained that wireless competes with wireline to a significant extent and that it would therefore be improper for the Commission to adopt a new forbearance test that excludes wireless entirely from the competitive analysis. Attached are several reports from independent analysts confirming that wireless competes extensively with wireline service. For example, Bank of America notes that “[w]ireless substitution is the single biggest driver in the decline in fixed line voice penetration. We estimate that wireless substitution is currently at 21%, up from 17% at YE07 and 13% at YE06. As the economy weakens, wireless substitution is increasing in our view because . . . fixed line voice is almost perfectly substitutable by wireless.” David W. Barden *et al.*, Bank of America/Merrill Lynch, *1Q09 Telecom Results Heads Up & Model Book*, at 18 (Apr. 17, 2009).

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Nneka Ezenwa".

Attachments

cc:	Acting Chairman Copps	Commissioner Adelstein	Commissioner McDowell
	Scott Deutchman	Mark Stone	Nick Alexander
	Mark Stone	Julie Veach	Randy Clarke
	Marcus Maher	Tim Stelzig	Don Stockdale

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