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WC Dkt 09-95

July 30, 2009

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

FILED/ACCEPTED
AUG 19 2009
Federal Communications Commission
Office of the Secretary

Nancy J. Victory
202.719.7344
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Re: Application of Verizon Enterprise Solutions LLC and New Communications Online and Long Distance Inc. for Consent to Partially Assign Domestic Section 214 Authority

Dear Ms. Dortch:

On May 28, 2009, Verizon Enterprise Solutions LLC filed the above-referenced application to partially assign domestic Section 214 authority to New Communications Online and Long Distance Inc. This domestic application is associated with an application to partially assign international Section 214 authority, File No. ITC-ASG-20090528-00256. Enclosed please find an amended and revised Consolidated Application for Transfer of Control and Assignment of International and Domestic Section 214 Authority. All other portions of the pending application remain unchanged.

Should you have any questions concerning this filing, please contact the undersigned.

Sincerely,

Nancy J. Victory
Counsel for Verizon

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

In the Matter of)
)
VERIZON COMMUNICATIONS INC. and)
)
FRONTIER COMMUNICATIONS CORPORATION)
)
Application for Consent to Assign and Transfer)
Control of Authority to Provide Global)
Facilities-Based and Global Resale)
International Telecommunications Services and)
to Assign and Transfer Control of Domestic)
Common Carrier Transmission Lines, Pursuant)
to Section 214 of the Communications Act of)
1934, as Amended)

FILED/ACCEPTED
AUG 19 2009
Federal Communications Commission
Office of the Secretary

**CONSOLIDATED APPLICATION FOR TRANSFER OF CONTROL AND
ASSIGNMENT OF INTERNATIONAL AND DOMESTIC SECTION 214 AUTHORITY**

Pursuant to Section 214 of the Communications Act of 1934, as amended (“the Act”), and Sections 63.04, 63.18 and 63.24 of the Commission’s rules,¹ Verizon Communications Inc. (“Verizon”), New Communications of the Southwest Inc., New Communications of the Carolinas Inc., New Communications Online and Long Distance Inc. and Frontier Communications Corporation (“Frontier”) (collectively, “Applicants”) request Commission consent to partially assign or transfer control of certain international and domestic Section 214 authority held by various Verizon wholly-owned subsidiaries² to Frontier. Such authority is

¹ 47 C.F.R. §§ 63.04, 63.18 and 63.24.

² The Verizon subsidiaries who hold Section 214 authorizations that will be included in this transaction are: Contel of the South, Inc. d/b/a Verizon Mid-States, Verizon California Inc., Verizon North Inc., Verizon Northwest Inc., Verizon South Inc., Verizon West Coast Inc. Verizon West Virginia Inc., Verizon Long Distance LLC, and Verizon Enterprise Solutions

necessary to effect the transfer to Frontier of Verizon's local wireline operations serving residential, small-business, and some enterprise customers and certain long distance customers in rural areas and smaller city service areas in 14 states.³ The partial assignment or transfer of Section 214 authority requested herein would permit the transfer of (1) certain assets and customer relationships related to the provision of local exchange and exchange access services in the identified areas, and (2) certain long distance customer relationships in those areas.

The proposed transaction involves a series of *pro forma* reorganizations within Verizon, followed by a pro rata distribution of the common stock of New Communications Holdings Inc. ("NCH") to Verizon's shareholders. Immediately after this distribution, NCH will merge with and into Frontier, resulting in a transfer of NCH's subsidiaries. These various steps of the transaction are discussed in more detail in Exhibit I to this application. Pursuant to the Commission's practice, the requests for Commission consent to the various *pro forma* steps of the transaction as well as the ultimate merger with Frontier are consolidated into a single electronic filing for each affected Section 214 authorization holder.⁴ Specifically, the Applicants seek consent to the following partial assignments and transfers of control:

(Continued . . .)
LLC.

³ The transaction involves the transfer to Frontier of all of Verizon's local wireline operating territories in Arizona, Idaho, Illinois, Indiana, Michigan, Nevada, North Carolina, Ohio, Oregon, South Carolina, Washington, West Virginia and Wisconsin. In addition, the transaction will include a small number of Verizon's exchanges in California, including those bordering Arizona, Nevada and Oregon.

⁴ Electronic IBFS forms and paper domestic Section 214 applications for each of these partial assignments or transfers are being filed concurrently. Also related to this transaction are seven applications for the assignment or transfer of radio licenses being filed today on ULS.

Assignment Applications:⁵

1. Partially assign Section 214 authority held by Verizon California Inc. to New Communications of the Southwest Inc., as owned by Frontier.⁶
2. Partially assign Section 214 authority held by Verizon South Inc. to New Communications of the Carolinas Inc., as owned by Frontier.⁷
3. Partially assign Section 214 authority held by Verizon Long Distance LLC to New Communications Online and Long Distance Inc., as owned by Frontier.
4. Partially assign Section 214 authority held by Verizon Enterprise Solutions LLC to New Communications Online and Long Distance Inc., as owned by Frontier.⁸

Transfer of Control Applications:

1. Transfer control of Section 214 authority held by Contel of the South, Inc. d/b/a Verizon Mid-States from Verizon to Frontier.
2. Transfer control of Section 214 authority held by Verizon North Inc. at closing from Verizon to Frontier.⁹

⁵ As only some customer relationships of these Section 214 authorization holders are being assigned through the transaction, the applicants seek only a partial assignment of Section 214 authority. The assignors for all partial assignment applications listed below will retain their respective international Section 214 authorizations after the closing and do *not* seek to assign them by this application. The Commission should issue new file numbers to the assignee for all of these partial assignment applications.

⁶ Only the authority related to customers in Arizona and Nevada and portions of California near the Arizona and Nevada borders are being assigned.

⁷ Only the authority related to customers in North Carolina, South Carolina and Illinois are being assigned.

⁸ For Verizon Long Distance LLC and Verizon Enterprise Solutions LLC, the authority to be assigned pertains to originating switched voice long distance customer relationships that use central office switching currently provided by Verizon in the areas being sold to Frontier. For example, Verizon will transfer all of its mass market and enterprise market interstate interexchange customers who originate calls over Verizon's local exchange network in these states. Verizon will retain all of its domestic mass market interstate interexchange customers who originate calls over a competitive carrier's local switching network. In addition, Verizon will retain all its enterprise special access service customers.

⁹ Prior to closing, Verizon North will partially assign its Section 214 authority for its assets, liabilities and customer relationships relating to its local exchange, intrastate toll and exchange access operations in Pennsylvania to Verizon North Retain Co., a Verizon entity to be formed and not owned by NCH. These assets, liabilities and customer relationships will not be transferred to Frontier. Applications for this *pro forma* partial assignment of Section 214

3. Transfer control of Section 214 authority held by Verizon Northwest Inc. from Verizon to Frontier.
4. Transfer control of Section 214 authority held by Verizon West Coast Inc. from Verizon to Frontier.
5. Transfer control of Section 214 authority held by Verizon West Virginia Inc. from Verizon to Frontier.

This narrative provides the information required by Sections 63.04 and 63.18 of the Commission's rules. Additionally, attached as Exhibit 1 is a statement demonstrating that the transaction is in the public interest, including a description of the parties and of the proposed transaction.¹⁰

I. RESPONSE TO ITEMS ON IBFS ELECTRONIC FORMAT

A. Answer to Question 10 - Section 63.18(a)-(d)

Verizon is a holding company that has a number of wholly-owned subsidiaries which provide communications services and hold various FCC licenses and authorizations. Verizon or one of its wholly-owned subsidiaries is assignor or transferor for all Section 214 applications included in this transaction. The name, address and telephone number of the specific Section

(Continued . . .)

authority will be submitted within 30 days of the completion of this restructuring, as permitted by the Commission's Rules.

¹⁰ As explained in the Description of the Transaction and Public Interest Statement, Exhibit 1 at 11 n. 17, the applicants do not believe the transaction results in a change of control of Frontier. Nevertheless, the applicants note that, in order to ensure timely approval of their transaction, the parties to the recently completed CenturyTel - Embarq merger proceeding noted that, if the Commission chose, it could treat their application as one to transfer or assign all Section 214 authorizations held by both CenturyTel and Embarq to CenturyTel, and the Commission chose to do so. *Applications Filed for the Transfer of Control of CenturyTel, Inc. and Its Subsidiaries*, WC Docket No. 08-238, Public Notice, DA 09-791, at 1 n.2 (rel. Apr. 7, 2009). Likewise, in order to eliminate any possible issue and ensure timely approval of the present transaction, the applicants note that if the Commission chose, it could treat the application here as one to transfer or assign the relevant Section 214 authorizations held by both Verizon's and Frontier's subsidiaries to Frontier. This places the current transaction on the exact same footing as the recently approved CenturyTel - Embarq merger.

214 authorization holder, assignor or transferor for each application is identified on the attached IBFS form. Verizon is a Delaware corporation, as are New Communications of the Southwest Inc., New Communications of the Carolinas Inc. and New Communications Online and Long Distance Inc. Verizon does not hold any international Section 214 authorizations, but directly or indirectly controls many subsidiaries who hold such authorizations to provide individual switched resale services and global or limited global facilities-based and resale services.

Frontier or an entity that will be wholly owned by Frontier post-transaction is the assignee or transferee for all applications included in this transaction. The address and telephone number for all of these entities post-transaction will be:

180 South Clinton Ave
5th Floor
Rochester, NY 14646
Tel: 585-777-5645

Frontier is a Delaware corporation. Frontier does not hold any international Section 214 authorizations, but directly or indirectly controls the following subsidiaries who hold international 214 authorizations: Frontier Communications of America, Inc., ITC-214-19971202-00753 (international resale services); Commonwealth Telephone Enterprises, Inc. and its subsidiaries, ITC-214-19960726-00343 (international facilities-based and international resale services); GVN Services, ITC-214-20020225-00113 (international resale services).

Correspondence concerning these applications should be directed to:

For Verizon and the Verizon subsidiaries:

Karen Zacharia
Verizon
1320 North Court House Road
9th Floor
Arlington, VA 22201-2909
Tel: 703-351-3193
Fax: 703-351-3662

with a copy to

Nancy J. Victory
Wiley Rein LLP
1776 K Street, NW
Washington, DC 20006
Tel: 202-719-7344
Fax: 202-719-7049

For Frontier:

Kenneth F. Mason
180 South Clinton Ave
5th Floor
Rochester, NY 14646
(585) 777-5645

with a copy to:

John Nakahata
Wiltshire & Grannis LLP
1200 Eighteenth Street, N.W.
12th Floor
Washington, D.C. 20036-2506
Tel: 202-730-1320
Fax: 202-730-1301

B. Answer to Question 11 – Section 63.18(h)

As described above, some interests will be partially assigned to New Communications of the Southwest Inc., New Communications of the Carolinas Inc. and New Communications Online and Long Distance Inc. Following the transaction, New Communications Online and Long Distance Inc. will be a direct wholly-owned subsidiary of Frontier. New Communications of the Southwest Inc. and New Communications of the Carolinas Inc. will be direct wholly-owned subsidiaries of New Communications ILEC Holdings Inc., which will be a direct wholly-owned subsidiary of Frontier. No persons or entities hold a direct or indirect 10 percent or greater interest in Frontier.

C. Answer to Question 13 - Narrative of Transfer of Control and Public Interest Statement

A description of the transaction and demonstration of how the transaction is in the public interest is attached as Exhibit 1.

D. Answer to Question 20 – Section 63.12

The applicants do not request streamlined treatment of the Application because it will be reviewed as part of a larger transaction that is not subject to streamlined treatment.

E. Answer to Question 21 – Section 63.18(n)

Frontier certifies that it has not agreed to accept special concessions directly or indirectly from a foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into any such agreements in the future.

F. Answer to Question 25 – Section 63.18(o)

The Applicants certify that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, because of a conviction for possession or distribution of a controlled substance.

II. INFORMATION REQUIRED BY SECTION 63.04 OF THE COMMISSION'S RULES IN RELATION TO TRANSFER OF DOMESTIC 214 AUTHORIZATION

In support of the Applicants' request for consent to transfer control of certain assets and customer relationships related to the provision of local exchange and exchange access services in the identified areas, as well as certain long-distance customer relationships in those areas to Frontier, the following information is submitted pursuant to Section 63.04 of the Commission's rules. 47 C.F.R. § 63.04. Specifically, Section 63.04(b) provides that applicants submitting a joint domestic/international Section 214 transfer of control application should submit as an

attachment to the international Section 214 application responses to the information requested in paragraphs (a)(6) through (a)(12) of Section 63.04.

Section 63.04(a)(6) – Description of the transaction:

A description of the transaction and demonstration of how the transaction is in the public interest is attached as Exhibit 1.

Section 63.04(a)(7) – Description of the geographic area in which the transferor and transferee offer domestic telecommunications services, and what services are provided in each area:

A description of the geographic areas in which the transferor and transferee offer domestic telecommunications services, and a description of the services provided is contained in Exhibit 1.

Section 63.04(a)(8) – Statement as to how the Application qualifies for streamlined treatment:

The applicants do not request streamlined treatment of the Application because it will be reviewed as part of a larger transaction that is not subject to streamlined treatment.

Section 63.04(a)(9) – Identification of all other Commission applications related to this transaction:

The Commission applications related to this transaction are identified on pages 2-4 of this narrative.

Section 63.04(a)(10) – Statement of whether the applicants request special consideration because either party is facing imminent business failure:

The Applicants do not request special consideration because no parties to this transaction are facing imminent business failure.

Section 63.04(a)(11) – Identification of any separately filed waiver requests being sought in conjunction with this application:

No separately filed waiver requests are sought in conjunction with this application.

Section 63.04(a)(12) – Statement showing how grant of the Application will serve the public interest, convenience and necessity:

A demonstration of how the transaction is in the public interest is attached as Exhibit 1.

III. CONCLUSION

For the reasons stated above and in Exhibit 1 to this application, the Applicants respectfully request that the Commission grant these applications for consent to partially assign and transfer control of international and domestic Section 214 authority of Verizon and its subsidiaries to Frontier.

Respectfully submitted,

BY: VERIZON COMMUNICATIONS INC.

/s/ Michael E. Glover

Michael E. Glover
Senior Vice President & Deputy General
Counsel

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1320 North Court House Road
9th Floor
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BY: FRONTIER COMMUNICATIONS
CORPORATION

/s/ Kenneth F. Mason

Kenneth F. Mason
Vice President – Government and Regulatory
Affairs

180 South Clinton Ave
5th Floor
Rochester, NY 14646

Dated: July 30, 2009