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EX PARTE

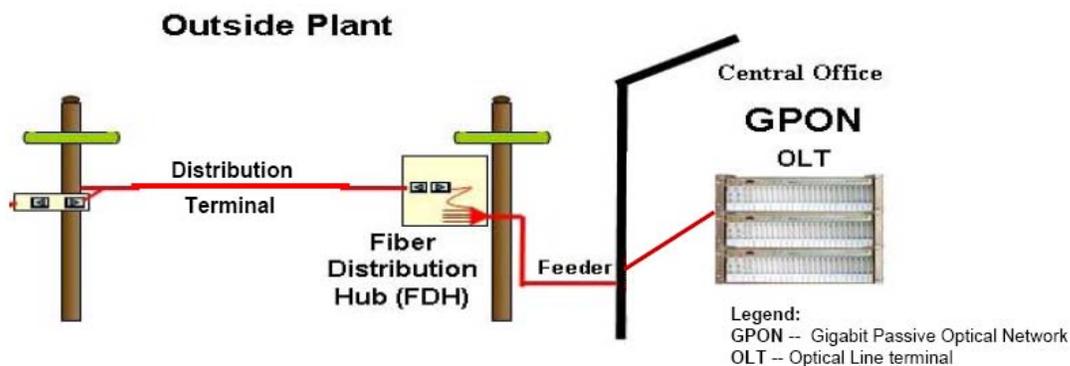
Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: A National Broadband Plan for our Future; GN Docket No. 09-51

Dear Ms. Dortch:

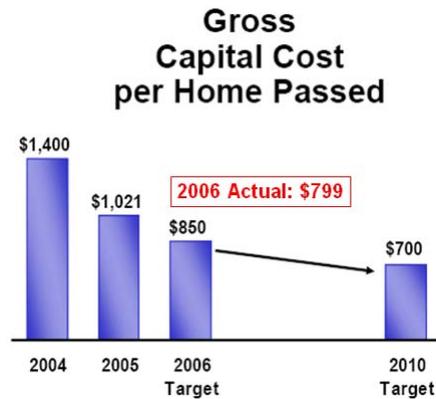
In response to requests for additional data during the recent Technology-Fixed Broadband workshop in which I participated, I would like to provide some information about the deployment costs for Verizon's fiber-to-the-premises FiOS network. In particular, I would like to provide you with some details about our costs for passing homes with our fiber optic network and for connecting homes to that network.

The explanation will start with "cost to pass" and will refer to the diagram below. The central office (CO) is on the right and houses the opto-electronic equipment referred to as the Optical Line Terminal (OLT). From there, fiber optic cable runs out of the CO to a splitter in the network called a Fiber Distribution Hub (FDH). From the FDH each feeder fiber is split into 32 distribution fibers and brought to a Fiber Distribution Terminal (FDT) from which they can be used to provide FiOS service to individual customer premises.

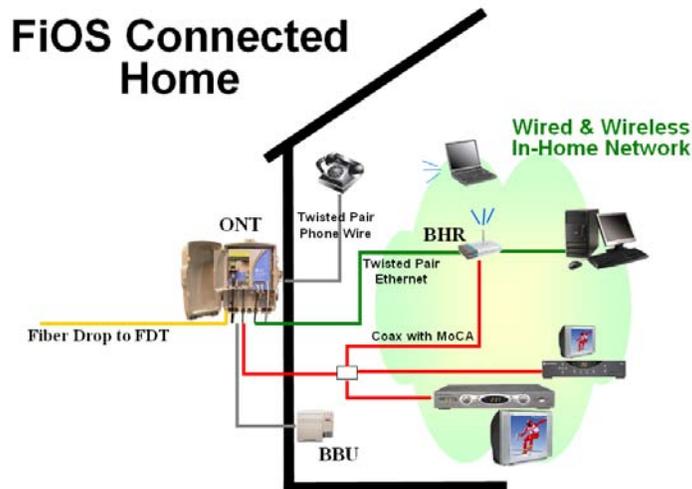


The elements included in “cost to pass” are the fiber cables themselves – both feeder and distribution, the FDH, the FDT and the OLT which are all of the key elements necessary to make FiOS available in an area. These costs have trended down as we have gained experience and economies of scale.

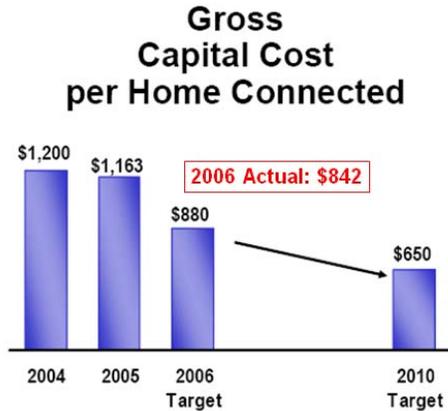
Below is a chart released publicly in 2006 depicting costs-to-pass in 2004 and where they were projected to be by 2010. By year-end 2006 our actual cost per home passed was \$799, below the announced target of \$850. Verizon has not publicly released specific cost data on this issue since 2006, but Verizon remains on track to meet the 2010 target of \$700. Of course, these costs are average costs for the areas where we are deploying FiOS and vary area by area depending on the particular circumstances – housing density, aerial versus buried plant, soil type, etc.



Once the network is deployed, we begin to add customers and incur the “costs to connect.” As depicted in the diagram below, this involves the placement of a fiber – referred to as a drop or buried service – between the FDT and the customer’s premises. An Optical Network Terminal (ONT) is placed at the side of the house which terminates the fiber and converts the optical signals received into electrical signals that connect to the existing twisted pair copper and coaxial cable wiring within the home.



In addition to installing the ONT, Verizon provides a Broadband Home Router (BHR) that creates an in-home IP network using Wi-Fi, twisted pair Ethernet and Multimedia over Coax Alliance (MoCA) technologies. Once activated, the ONT, working with the BHR, delivers voice, FiOS Internet and FiOS TV services to devices over the in-home networks.



To the left is a chart released publicly in 2006 depicting the capital costs per connected home in 2004 and where they are projected to be in 2010. By year-end 2006 our actual cost per home passed was \$842, below our announced target of \$880. Verizon has not publicly announced actual costs to connect since that time, but remains on track to meet the 2010 target of \$650.

I hope that this is helpful to your effort to examine wireline broadband deployment. Verizon looks forward to working closely with the Commission and other policymakers and stakeholders to increase the availability and adoption of broadband services.

Sincerely,

cc: Rob Curtis
Walter Johnston
Julius Knapp
Stagg Newman