



Verizon Wireless
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January 13, 2010

VIA ECFS

Sharon Gillett
Chief
Wireline Competition Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

RE: Verizon Wireless Petition for Limited Waiver of Safe Harbor Single Election Requirement and Criteria for Consolidated Filing of Universal Service Revenue Reports, WC Docket No. 06-122

Dear Ms. Gillett:

On May 1, 2009, the Wireline Competition Bureau released an order granting a petition by Verizon Wireless for a limited waiver of certain universal service FCC Form 499 revenue filing requirements.¹ The Bureau granted Verizon Wireless's request to waive, on a limited basis, the requirements that: (1) all affiliated entities make a single quarterly election whether to use actual or safe harbor revenues for reporting interstate revenues; and (2) only entities that bill customers under a common trade name and have a single point of contact for customers can file a consolidated revenue report.² Verizon Wireless now requests a limited extension of that waiver, only with respect to certain markets that it is required to divest.

As Verizon Wireless explained in its petition,³ the waiver request arose from its acquisitions of Alltel and Rural Cellular Corporation ("RCC") and the need to migrate former Alltel and RCC customers onto Verizon Wireless's billing platform, a process that

¹ *Universal Service Contribution Methodology; Verizon Wireless Petition for Limited Waiver of Safe Harbor Single Election Requirement and Criteria for Consolidated Filing of Universal Service Revenue Reports*, WC Docket No. 06-122, Order, 24 FCC Rcd 5212 (WCB 2009)(*"Bureau Waiver Order"*).

² *Id.* at 5214 (paras. 4-5).

³ *Verizon Wireless Petition for Limited Waiver of Safe Harbor Single Election Requirement and Criteria for Consolidated Filing of Universal Service Revenue Reports*, WC Docket No. 06-122 (filed April 20, 2009)(*"Waiver Petition"*).

it expected to complete by December 31, 2009, as well as the requirement that Verizon Wireless divest certain markets owned by the acquired entities.⁴ The Bureau agreed that the mergers with Alltel and RCC and the associated orders and consent decree presented special circumstances and therefore waived the single election and consolidated filing requirements until December 31, 2009.⁵

Verizon Wireless completed the migration of former Alltel and RCC customers onto its billing platform prior to December 31, as scheduled, and is now able to satisfy the single election and consolidated filing requirements with respect to all properties that it retains. Verizon Wireless has not, however, completed sale of the divestiture markets. On May 22, it filed applications to divest properties in 79 markets to AT&T, and on June 16 it filed applications to divest the remaining properties to Atlantic Telecom Network. The Commission sought comment on the applications on June 19 and July 9, respectively.⁶ The Commission continues to consider both sets of applications.

As previously explained, the Divestiture Trustee is required to operate these properties as independent businesses until they are divested.⁷ Customers in those markets will continue to receive RCC or Alltel bills, and those customers will not be converted to the Verizon Wireless billing system. For this reason, Verizon Wireless seeks a limited extension of the waivers previously granted by the Bureau, with respect to the divestiture markets only, until such time as the Commission acts on the pending applications. The public interest will be served by the grant of this limited extension for all the reasons set forth in the *Waiver Petition* and the *Bureau Waiver Order*.

⁴ *Id.* See also *Bureau Waiver Order*, 24 FCC Rcd at 5214 (paras. 4-5). In its order approving Verizon Wireless's acquisition of Alltel, the Commission required Verizon Wireless to divest certain markets. *Applications of Cellco Partnership d/b/a Verizon Wireless and Atlantis Holdings LLC for Consent to Transfer Control of Licenses, Authorizations and Spectrum Manager and De Facto Transfer Leasing Arrangements and Petition for Declaratory Ruling that the Transaction is Consistent with Section 310(b)(4) of the Communications Act*, WT Docket No. 08-95, Memorandum Opinion and Order & Declaratory Ruling, 23 FCC Rcd 17444, 17516-21 (paras. 157-170) (2008). Pursuant to the consent decree and related orders governing both the RCC and Alltel acquisitions, the divestiture markets must be operated as independent, ongoing, and competitive businesses until the markets are sold. As a result, customers in those markets will not be converted to the Verizon Wireless billing system prior to divestiture. See, e.g., *United States of America v. Verizon Commc'ns Inc.*, Case 1:08-cv-01878-EGS, Preservation of Assets Stipulation and Order, at 15 (D.D.C., entered Dec. 9, 2008).

⁵ *Bureau Waiver Order*, 24 FCC Rcd at 5214 (para. 5).

⁶ *AT&T Inc. and Cellco Partnership d/b/a Verizon Wireless Seek FCC Consent to Assign or Transfer Control of Licenses and Authorizations and Modify a Spectrum Leasing Arrangement*, WT Docket No. 09-104, Public Notice, 24 FCC Rcd 8171 (WTB 2009); *Atlantic Tele-Network, Inc. and Verizon Wireless Seek FCC Consent to Assign or Transfer Control of Licenses and Authorizations*, WT Docket No. 09-199, Public Notice, 24 FCC Rcd 9035 (WTB 2009).

⁷ *Waiver Petition* at 3-4.

Should you have any questions, please contact the undersigned at (202) 589-3770.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tamara L. Preiss". The signature is fluid and cursive, with the first name being the most prominent.

Tamara L. Preiss

cc: Jennifer McKee (via e-mail)
Vickie Robinson (via e-mail)
Thomas Buckley (via e-mail)
Nicholas Degani (via e-mail)
Alexander Minard (via e-mail)