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August 23, 2010

**EX PARTE**

Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Room TW A325  
Washington, D.C. 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 a recent notice in this docket,<sup>1</sup> the Commission asks, among other things, how it should address six pending forbearance petitions filed by Verizon, which the D.C. Circuit remanded to the Commission more than a year ago. Given that the record in these petitions is now several years old, and given the changing and unsettled nature of the forbearance standard the Commission has applied in prior orders, Verizon hereby withdraws these petitions.

The Commission has repeatedly recognized that it must develop and apply a standard consistent with the statute that would allow carriers subject to unbundling requirements to demonstrate that competitors are no longer “impaired” in areas where competition has developed sufficiently. Most recently, the Commission has identified the forbearance process as a means to achieve that end. As a result, Verizon filed forbearance petitions covering six Metropolitan Statistical Areas (MSAs). These six MSAs were among the most competitive areas in the country at that time, and are even more competitive today. In fact, in a number of these areas, Verizon’s local telephone company serves fewer than *half* the wireline lines. At the same time, wireless services have exploded. Across the country, wireless carriers are now the sole voice provider for a quarter or more of all households. Taking these marketplace developments into account – as we believe the Commission must -- Verizon’s share of these lines drops to a third or fewer. Under

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<sup>1</sup> See Public Notice, *Wireline Competition Bureau Seeks Comment on Applying the Qwest Phoenix Forbearance Order Analytical Framework in Similar Proceeding*, WC Docket Nos. 06-172, 07-97 at 2 (June 22, 2010).

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these conditions, there is simply no plausible reason to continue to impose unbundling requirements on one, and only one, competitor.

Nevertheless, in recent orders the Commission has declined to apply the impairment standard when ruling on forbearance petitions. Instead, the standard that companies must meet to remove unbundling requirements has changed over time and now ignores actual competition. And, this has occurred even as the market continues to grow more and more competitive. This standard is also the subject of an ongoing appellate challenge, and remains, at best, unsettled.

In sum, the standard for relief continues to change, and “incumbent” carriers alone continue to face unnecessary regulation, while other providers serve the vast majority of the market. Under these circumstances, it makes little sense to proceed with these petitions in the absence of a reasonable, known and lawful standard. Accordingly, Verizon hereby withdraws the captioned petitions.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Gilh". The signature is written in a cursive, slightly slanted style.

**cc:** Chairman Genachowski  
Commissioner Baker  
Commissioner Copps  
Commissioner Clyburn  
Commissioner McDowell  
Zac Katz  
Angela Kronenberg  
Christine Kurth  
Jennifer Schneider  
Christi Shewman  
Sharon Gillett  
William Dever