

LUKAS, NACE, GUTIERREZ & SACHS, LLP

8300 GREENSBORO DRIVE, SUITE 1200
MCLEAN, VIRGINIA 22102
703 584 8678 • 703 584 8696 FAX

WWW.FCCLAW.COM

RUSSELL D. LUKAS
DAVID L. NACE
THOMAS GUTIERREZ*
ELIZABETH R. SACHS*
DAVID A. LAFURIA
PAMELA L. GIST
TODD SLAMOWITZ*
TODD B. LANTOR*
STEVEN M. CHERNOFF*
KATHERINE PATSAS NEVITT*

CONSULTING ENGINEERS
ALI KUZEHKANANI
LEILA REZANAVAZ
OF COUNSEL
GEORGE L. LYON, JR.
LEONARD S. KOLSKY*
JOHN CIMKO*
J. K. HAGE III*
JOHN J. MCAVOY*
HON. GERALD S. MCGOWAN*
TAMARA DAVIS BROWN*
JEFFREY A. MITCHELL
ROBERT S. KOPPEL*

*NOT ADMITTED IN VA

December 21, 2010

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, DC 20554

Re: Reporting of Ineligible Lines by Post-Merger Verizon Wireless and ALLTEL
CC Docket No. 96-45; WC Docket No. 05-337

Madam Secretary:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, we hereby provide you with notice of an oral ex parte presentation in connection with the above-captioned proceeding. On December 20, 2010, undersigned counsel, on behalf of multiple wireless providers that are competitive eligible telecommunications carriers ("CETCs"),¹ met with Trent Harkrader and Carol Matthey of the Wireline Competition Bureau.

During the meeting, we discussed the letter submitted by undersigned counsel to the Commission in the referenced dockets on December 3, 2010. We noted that in numerous states, Verizon Wireless collected high-cost support in ETC areas granted to ALLTEL for over 18 months after the merger closing without filing with a number of state commissions an application to be designated as an ETC, or consent to transfer ETC status. Verizon Wireless has added huge numbers of subscribers to its line counts for which it was never granted state authority to report for purposes of receiving high-cost support. We stressed the ongoing harm that these practices have caused other CETCs by driving up statewide support levels, causing steep reductions under the cap.

We also noted that the justifications proffered by Verizon Wireless for these practices are unavailing.² Verizon Wireless was never designated as an ETC in any of the states in which it is applying to USAC for support. Given that Verizon Wireless informed USAC in late 2009 and early 2010 of its plans to integrate its billing systems and begin reporting its legacy lines, it was incumbent on Verizon Wireless to seek state authority to include those lines *before* it began doing so. Instead, Verizon Wireless began reporting legacy lines and receiving the associated

¹ United States Cellular Corporation, Allied Wireless Communications Corp., Commnet Wireless, LLC, and N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless.

² See Letter from Tamara Preiss, Verizon Wireless, to Marlene H. Dortch, FCC, CC Docket No. 96-45, WC Docket No. 05-337 (Dec. 2, 2010).

Marlene H. Dortch, Secretary

December 21, 2010

Page 2

support without seeking state authority, or even informing state commissions of its plans. For reasons it has yet to explain, Verizon Wireless did not disclose the letters informing USAC of its plans until over a year later.

We also noted that even if Verizon Wireless' actions were based on advice from FCC staff, informal staff advice may not be relied upon as a legal justification. Moreover, any guidance from the Commission on the issue of Verizon Wireless' eligibility would have no legal force in states which have asserted jurisdiction to designate ETCs pursuant to 47 U.S.C. Section 214(e)(2). Verizon's actions have not been well received in the states, as evidenced by testimony filed by staff at the Public Utilities Commission of Nevada, a copy of which was provided to staff via e-mail prior to the meeting.

If you have any questions or require any additional information, please contact undersigned counsel directly.

Sincerely,



David A. LaFuria
Steven M. Chernoff

Enclosure

cc:

Carol Matthey, Esq.
Trent Harkrader, Esq.