REDACTED - FOR PUBLIC INSPECTION

May 17, 2012

EX PARTE OR LATE FILED

FILED/ACCEPTED

MAY 17 2012

Federal Communications Commission
Office of the Secretary

VIA HAND DELIVERY AND ECFS

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

Re: *Application of Cellco Partnership d/b/a Verizon Wireless and SpectrumCo, LLC for Consent to Assign Licenses and Application of Cellco Partnership d/b/a Verizon Wireless and Cox TMI Wireless, LLC for Consent to Assign Licenses*, WT Docket No. 12-4

Dear Ms. Dortch:

Cellco Partnership d/b/a Verizon Wireless, Bright House Networks, LLC, Comcast Cable Communications, LLC, Cox Communications Inc., SpectrumCo, LLC, and Time Warner Cable Inc. submit the attached *ex parte* letter. The letter contains Highly Confidential Information subject to the Second Protective Order (DA 12-51) in the above-referenced proceeding.

Pursuant to the terms of the Second Protective Order, two copies of the Redacted version of the attached letter are being filed with the Office of the Secretary. The Redacted version of the letter is also being filed electronically through the Commission's Electronic Comment Filing System. In addition, one copy of the Highly Confidential version of the letter is being delivered to the Office of the Secretary and two copies are being delivered to Ms. Sandra K. Danner of the Wireless Telecommunications Bureau's Broadband Division.

Should any questions arise concerning this filing, please do not hesitate to contact the undersigned.

Sincerely,

/s/

Adam D. Krinsky
WILKINSON BARKER KNAUER, LLP
2300 N Street N.W., Suite 700
Washington, DC 20037
(202) 783-4141
Attorney for Verizon Wireless

0+1

Attachment

cc: Rick Kaplan
Jim Schlichting
Jim Bird
Sandra Danner
Paul Murray
Tom Peters
Joel Rabinovitz
Susan Singer
Joel Taubenblatt
Best Copy and Printing, Inc.

REDACTED – FOR PUBLIC INSPECTION

FILED/ACCEPTED

MAY 17 2012

Federal Communications Commission
Office of the Secretary

May 17, 2012

VIA HAND DELIVERY AND ECFS

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

Re: *Application of Cellco Partnership d/b/a Verizon Wireless and SpectrumCo, LLC for Consent to Assign Licenses and Application of Cellco Partnership d/b/a Verizon Wireless and Cox TMI Wireless, LLC for Consent to Assign Licenses*, WT Docket No. 12-4

Dear Ms. Dortch:

In its May 16 ex parte, Level 3 Communications, LLC ("Level 3") expresses its "concern" that the provisions of the VZW Agent Agreements and the Reseller Agreements might improperly restrict competition for the provision of wireless backhaul and special access. But Level 3 does not make any claims about the proposed assignments of spectrum licenses at issue in this docket or the effects thereof on competition. Level 3 does not assert that any of the agreements limit the ability or incentives of either Verizon Telecom or Bright House, Comcast, Cox, or Time Warner Cable (the "MSOs") to compete aggressively to provide backhaul services. Nor does Level 3 contend that the agreements will affect competition in the wireless business overall. Instead, Level 3 alleges that, to the extent other providers are competing successfully, there will be less business for Level 3 and other competitive providers. These assertions have no place in this proceeding. As Verizon Wireless has noted previously, the marketplace for high-capacity services is marked by growth, competition, diverse suppliers and service offerings, and continuous innovation.[1] To the extent commenters disagree, the proper forum for their arguments is an industry-wide proceeding that will consider issues of access to backhaul facilities.

Level 3's specific assertions concerning the effects of the commercial agreements are unfounded. **[BEGIN HIGHLY CONFIDENTIAL]**

[END HIGHLY

[1] *See, e.g.*, Comments of Verizon Wireless, WT Docket No. 11-186, at 99-107 (filed Dec. 5, 2011) (and sources cited therein).

[2] *See, e.g.*, VZW Agent Agreement (with Comcast Cable Communications, LLC) § 3.9; VZW Agent Agreement (with Time Warner Cable Inc.) § 3.9; VZW Agent Agreement (with Bright House Networks, LLC) § 3.9; VZW Agent Agreement (with Cox Communications Inc.) § 3.8.1.

CONFIDENTIAL] Thus the MSOs will continue to have every economic incentive to offer competitive pricing and to market their backhaul services to a range of prospective customers, including not only Verizon Wireless, but also Sprint, AT&T, T-Mobile, and a wide assortment of regional and other mobile providers. Further, to the extent that Verizon Wireless does purchase backhaul services from the MSOs, such purchases will only strengthen a competitor to ILECs and CLECs in this space and thus enhance competition overall.

Level 3 claims that [**BEGIN HIGHLY CONFIDENTIAL]**

[END HIGHLY CONFIDENTIAL] Level 3 is wrong. Verizon Telecom is not a party to the commercial agreements. There is no link between this proceeding and Verizon Telecom's separate provision of backhaul. Moreover, the fact that a customer seeks and receives a discount is a sign that the market is competitive and working, not that prices are too high. This is buttressed by the substantial evidence in other proceedings that customers often may receive significant discounts on high capacity services.

Finally, Level 3's contentions regarding the rate of return allegedly earned by Verizon Telecom are similarly irrelevant. The question of what rates on special access and Ethernet may be charged by entities not a party to this proceeding is simply not within the scope of these spectrum license assignment applications. Such questions are better considered – if at all – in the context of an industry-wide, comprehensive review.

Please contact the undersigned if you have any questions.

---

[3] *See, e.g.*, VZW-TPK-FCC-042652-56; VZW-TPK-FCC-039331-33.

Sincerely,

/s/

John T. Scott, III
Katharine R. Saunders
VERIZON
1300 I Street, NW
Suite 400 West
Washington, D.C. 20005
(202) 589-3760

Michael E. Glover
Of Counsel

Attorneys for Verizon Wireless

Daniel Brenner
Hogan Lovells US LLP
Columbia Square
555 Thirteenth Street, NW
Washington, D.C. 20004
(202) 637-5532

Attorney for Bright House Networks

Matthew Brill
Latham & Watkins LLP
555 Eleventh Street, N.W.
Suite 1000
Washington, D.C. 20004
(202) 637-1095

Attorney for Time Warner Cable

Michael H. Hammer
WILLKIE FARR & GALLAGHER LLP
1875 K Street, NW
Washington, D.C. 20006
(202) 303-1000

Attorney for SpectrumCo

J. G. Harrington
Christina H. Burrow
Michael Pryor
DOW LOHNES PLLC
1200 New Hampshire Avenue, NW
Suite 800
Washington, D.C. 20036
(202) 776-2000

Attorneys for Cox Wireless

Michael H. Hammer
WILLKIE FARR & GALLAGHER LLP
1875 K Street, NW
Washington, D.C. 20006
(202) 303-1000

Attorney for Comcast

---

cc: Rick Kaplan (redacted)
Jim Schlichting (redacted)
Jim Bird (redacted)
Sandra Danner
Paul Murray (redacted)
Tom Peters (redacted)
Joel Rabinovitz (redacted)
Susan Singer (redacted)
Joel Taubenblatt (redacted)