



November 20, 2012

Ex Parte

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VIA ECFS

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

Re: MCI Communications Services, Inc. D/B/A Verizon Business Services And Verizon Enterprise Solutions LLC To Discontinue Domestic Telecommunications Services WC Docket No. 12-297 Comp. Pol. File No. 1054; Verizon Select Services Inc. To Discontinue Domestic Telecommunications Services WC Docket No. 12-298, Comp. Pol. File No. 1055

Dear Ms. Dortch:

On Monday, November 19, 2012, Fred Moacdieh, Curtis L. Groves, and the undersigned of Verizon spoke by phone with Lisa Gelb, Bill Dever, Pam Arluk, Travis Littman, and Tim Stelzig of the Wireline Competition Bureau to discuss MCI Communications Services, Inc. d/b/a Verizon Business Services and Verizon Enterprise Solutions LLC's (collectively, Verizon Business) application to discontinue interstate frame relay service at speeds less than 200 kbps (Frame Relay) and Verizon Select Services Inc.'s (VSSI) application to discontinue interstate long-distance private line service at DS-3 bandwidth and below (Private Line).

During this conversation, we provided further background on the services at issue (Affected Services). We explained that Verizon Business and VSSI have always been considered non-dominant with respect to the Affected Services. Verizon Business and VSSI do not provide the Affected Services subject to FCC tariffs, and they have not had tariffs for the Affected Services at least since the Commission adopted detariffing for interstate long-distance providers more than ten years ago.¹

As we explained in the applications, Verizon Business and VSSI are proposing to discontinue the Affected Services because demand for the Affected Services has declined as customers move to newer technologies that have replaced the Affected Services in the marketplace. For example, for both the Verizon Business Frame Relay and VSSI Private Line services, we have experienced a steep decline in revenues. Verizon Business Frame Relay retail

¹ MCI Communications Services, Inc. d/b/a Verizon Business Services is a long-distance company whose origins are with the former MCI. Verizon Enterprise Solutions LLC started as a NYNEX long-distance provider and was once known as NYNEX Long Distance Company. VSSI started as a GTE long-distance provider and was once known as GTE Communications Corporation.

revenue has declined by more than 20% so far this year alone. VSSI private line revenue has declined by about 40% over the past two years. Other carriers, including Verizon Business and VSSI affiliates, offer reasonable substitutes for the Affected Services. These include Private IP, Ethernet, and other high-capacity services. Private IP and Ethernet are widely available from many other carriers that compete to service business and government customers.

We further explained that in addition to the Affected Services described in the petition, Verizon Business is discontinuing its other frame relay services, and VSSI is discontinuing its other interstate long-distance private line services, including in both cases other services that operate at speeds faster than those described in the applications. Those faster services are not subject to Title II regulation.² Verizon Business notified customers of those services by the same means it used to notify customers of the Affected Services, including letters and bill messages while VSSI notified customer of those services by bill message.

Verizon Business and VSSI currently provide the Affected Services to wholesale customers, government, small and medium business customers, and enterprise customers. These customers received the notification letters included with the application, and Verizon Business and VSSI also notified these customers by bill message. Today there are approximately 1,100 customers of the Affected Services and the other frame relay and private line services discussed in the previous paragraph, including approximately 800 frame relay customers and 340 private line customers. The vast majority of these customers are enterprise.

We are not aware of any negative customer reaction to these discontinuance applications. Customers were free to respond to the Public Notices soliciting comments on the applications,³ and we are not aware of any contractual restrictions on their ability to comment. No one filed comments on either application.

Sincerely,



cc: Tim Stelzig

² See, e.g., *Verizon Telephone Companies' Petition for Forbearance from Title II and Computer Inquiry Rules with Respect to their Broadband Services Is Granted by Operation of Law*, FCC News Release, 2006 FCC Lexis 1333 (released Mar 20, 2006); *Petition of the Verizon Telephone Companies for Forbearance under 47 U.S.C. 160(c) from Title II and Computer Inquiry Rules with Respect to Their Broadband Services*, WC Docket No. 04-440 (filed Dec. 20, 2004).

³ *Comments Invited on Application of MCI Communications Services, Inc. d/b/a Verizon Business Services and Verizon Enterprise Solutions LLC to Discontinue Domestic Telecommunications Services*, Public Notice, WC Docket No. 12-297, Comp. File No. 1054, DA 12-1618 (Released October 10, 2012); *Comments Invited on Application of Verizon Select Services, Inc. to Discontinue Domestic Telecommunications Services*, Public Notice, WC Docket No. 12-298, Comp. File No. 1055, DA 12-1619 (Released October 10, 2012).