PUBLIC NOTICE

Federal Communications Commission
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Washington, D.C. 20554

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DA 10-1176
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APPLICATION OF VERIZON LONG DISTANCE LLC
TO DISCONTINUE DOMESTIC TELECOMMUNICATIONS SERVICES
NOT AUTOMATICALLY GRANTED

WC Docket No. 10-116
Comp. Pol. File No. 931

On **April 26, 2010, Verizon Long Distance LLC** (Verizon or Applicant), located at **One Verizon Way, Mail Code: VC22E243, Basking Ridge, NJ 07920,** filed an application with the Federal Communications Commission (FCC or Commission) requesting authority, under section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and section 63.71 of the Commission's rules, 47 C.F.R. § 63.71, to discontinue the provision of certain telecommunications services in Arizona, California, Colorado, Connecticut, Delaware, Florida, Idaho, Illinois, Indiana, Iowa, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Vermont, Virginia, Washington, West Virginia and Wisconsin (collectively Service Areas).[1] The Commission has received several comments in opposition to Verizon's proposed discontinuance.[2] By this Public Notice, the Wireline Competition Bureau announces that Verizon's application to discontinue service will not be automatically granted pursuant to section 63.71.

In its application, Verizon indicates that it currently provides SmartTouch prepaid long distance service in the Service Areas. Verizon explains that SmartTouch is a prepaid long distance service that allows customers to prepay the amount of money they anticipate spending on long distance calls, including international calls, each month. Verizon further explains that the customer's actual long distance expenses are then deducted from that amount. Verizon adds that when placing long distance calls, SmartTouch customers receive notice of the funds remaining in their SmartTouch account and have the option of adding additional funds to their account as needed to place additional long distance calls.

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[1] By Public Notice dated May 27, 2010, the Commission notified the public that, in accordance with 47 C.F.R. § 63.71(c), Verizon's application would be deemed to be automatically granted on the 31st day after the release date of the notice, unless the Commission notifies Verizon that the grant will not be automatically effective. *Comments Invited on Application of Verizon Long Distance LLC to Discontinue Domestic Telecommunications Services*, Public Notice, WC Docket No. 10-116, DA 10-985 (WCB May 27, 2010). Accordingly, the automatic grant date for Verizon's application would have been June 27, 2010.

[2] *See* Letter from Rose Marie Bergna to Edward George, President, Verizon Long Distance LLC, WC Docket No. 10-116 (dated May 13, 2010) (Bergna Comment); Letter from Carol Ann Porreca to Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, WC Docket No. 10-116 (filed June 2, 2010) (Porreca Comment); Letter from Barry S. Rosenberg to Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, WC Docket No. 10-116 (filed May 14, 2010) (Rosenberg Comment); and Letter from Richard Umgelter to Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, WC Docket No. 10-116 (dated June 21, 2010) (Umgelter Comment).

Verizon states, however, that it plans to discontinue SmartTouch prepaid long distance in the Service Areas on or after July 1, 2010 subject to regulatory approval. Verizon maintains that the public convenience and necessity will not be impaired by the proposed discontinuance because there are many alternative providers of long distance services nationwide. Verizon states that it is considered non-dominant with respect to the service to be discontinued.

The Commission will normally authorize proposed discontinuances of service unless it is shown that customers or other end users would be unable to receive service or a reasonable substitute from another carrier, or that the public convenience and necessity would be otherwise adversely affected. As noted above, the Commission has received several comments in opposition to Verizon's proposed discontinuance. One commenter states that he can find no other long distance service for his home phone that has costs and features similar to Verizon's SmartTouch service.[3] Another commenter asserts that the SmartTouch service helps her stay within her budget and alternatives could add additional monthly charges she can't afford.[4] The third commenter explains that he chose SmartTouch because he does not make many long distance calls, the plan allowed him to pay for the service as needed, and there is no reasonable substitute since other plans have added taxes and fees associated with them.[5] The last commenter opposes any service fee associated with choosing an alternative long distance provider or plan.[6] In response, Verizon generally states that pre-paid calling cards and pre-paid wireless phones are reasonable alternatives to SmartTouch service that allow customers to place long distance calls and also provide customers with predictable long distance expenses.[7]

Where comments on a discontinuance application allege that the service has no reasonable substitute or that either present or future public convenience and necessity will be adversely affected, the Commission will scrutinize the discontinuance application, consistent with its statutory obligations.[8] Because the record raises concerns regarding the potential loss or disruption of service to customers in a manner that may not provide an adequate opportunity for customers to seek alternative service in accordance with the Commission's rules, we find that the public interest will not be served by automatic grant of Verizon's application. Therefore, by this Public Notice, Verizon is notified that its application to discontinue domestic telecommunications services will not be granted automatically.[9] We emphasize that

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[3] *See* Umgelter Comment.

[4] *See* Bergna Comment.

[5] *See* Rosenberg Comment.

[6] *See* Porreca Comment.

[7] *See* Letter from Ann Berkowitz to Marlene H. Dortch, Office of the Secretary, Federal Communications Commission, WC Docket No. 10-115 and 10-116 (filed June 22, 2010) (Verizon June 22 Reply) at 2.

[8] *See* 47 U.S.C. § 214(a); 47 C.F.R. § 63.71; *see also Policy and Rules Concerning Rates for Competitive Common Carrier Services and Facilities Authorizations Therefor*, First Report and Order, CC Docket No. 79-252, 85 FCC 2d 1, 49 (1980) (*Competitive Carrier First Report and Order*) ("we have retained the right to delay grant of a discontinuance authorization if we believe an unreasonable degree of customer hardship would result."); *Federal Communications Comm'n v. RCA Communications, Inc.*, 346 U.S. 86, 90 (1953). *See*, *e.g.*, *AT&T Application to Discontinue Interstate Sent-Paid Coin Service Not Automatically Granted*, Public Notice, NSD File No. W-P-D-497 (Aug. 3, 2001).

[9] *See* 47 C.F.R. § 63.71(c) ("The application to discontinue . . . shall be automatically granted on the 31st day . . . unless the Commission has notified the applicant that the grant will not be automatically effective.")

our removal of Verizon's application from the automatic grant process should not be construed as a final determination on the merits of Verizon's request for authority to discontinue service.

This proceeding is considered a "permit but disclose" proceeding for purposes of the Commission's *ex parte* rules, 47 C.F.R. §§ 1.1200-1.1216. The application will be available for public inspection and copying during regular business hours at the FCC Reference Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554, (202) 418-0270. A copy of the application may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone (202) 488-5300, facsimile (202) 488-5563, or via e-mail at FCC@BCPIWEB.COM. People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, contact Carmell Weathers, (202) 418-2325 (voice), carmell.weathers@fcc.gov, or Kimberly Jackson, (202) 418-7393 (voice), kimberly.jackson@fcc.gov, of the Competition Policy Division, Wireline Competition Bureau. The tty number is (202) 418-0484. For further information on procedures regarding section 214 please visit **http://www.fcc.gov/wcb/cpd/other_adjud**.

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