



PUBLIC NOTICE

Federal Communications Commission
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**COMMENTS INVITED ON APPLICATION OF MCI COMMUNICATIONS SERVICES,
INC. AND TELECOM*USA, INC. TO DISCONTINUE DOMESTIC
TELECOMMUNICATIONS SERVICES**

WC Docket No. 12-62
Comp. Pol. File No. 1030

Comments Due: March 23, 2012

Section 214 Application

Applicants: MCI Communications Services, Inc. and Telecom*USA, Inc.

On February 17, 2012, MCI Communications Services, Inc. and Telecom*USA, Inc. (collectively MCI/TelecomUSA or Applicants), located at **One Verizon Way, 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 domestic telecommunications services in all fifty states and the District of Columbia (collectively Service Areas).¹ On March 6, 2012, MCI/TelecomUSA filed an amendment in order to update the record regarding notice to customers and additions to the information provided on the companies' websites. Accordingly, MCI/TelecomUSA's application is deemed complete as of March 6, 2012.

MCI/TelecomUSA indicates that it has been in the business of selling prepaid long distance phone cards across several retail channels including Costco, BJ's, CVS and Rite-Aid, and through companies such as Circle K. MCI/TelecomUSA explains that these cards permit customers to prepay for domestic, international or country specific calls, and that they also allow customers to apply more funds to previously purchased cards in order to recharge them when funds have been exhausted. MCI/TelecomUSA states, however, that it has made the decision to exit this business given an increasingly competitive marketplace and new alternatives available to consumers. Specifically, MCI/TelecomUSA indicates that it plans to discontinue the sale of new prepaid long distance cards and to no longer allow cardholders to recharge their previously purchased cards effective on or after April 17, 2012, subject to Commission authorization.² MCI/TelecomUSA asserts, however, that customers that previously purchased prepaid long distance phone cards will continue to be able to use the remaining balance on those cards. MCI/TelecomUSA states that it does not know the names or mailing addresses of its cardholders, but maintains that it has taken measures to notify cardholders orally about the proposed discontinuance by establishing messages to be played whenever cardholders use their calling cards

¹ MCI/TelecomUSA's application was subsequently received in the Competition Policy Division of the Wireline Competition Bureau on February 23, 2012.

² Discontinuance of international service is governed by 47 C.F.R. § 63.19.

starting on February 17, 2012 through October 17, 2012. MCI/TelecomUSA specifies that the oral messages direct customers to more information on websites at <http://prepaid.verizon.com> and www.minutepass.com, and that these websites contain additional information about the proposed discontinuance including language from section 63.71(a)(5)(i) of the Commission's rules. MCI/TelecomUSA maintains that the public convenience and necessity will not be impaired by the proposed discontinuance because companies such as AT&T and IDT, and aggregators such as InComm, BlackHawk Network and Coinstar, Inc. currently offer multiple alternative products across the same retail channels, including domestic, international and country specific cards. MCI/TelecomUSA asserts that these alternatives are sold at comparable and/or lower rates than the cards subject to the proposed discontinuance, and that prepaid wireless plans and VoIP solutions also exist as alternatives. MCI/TelecomUSA states that applicants are considered non-dominant with respect to the services to be discontinued.

We seek comment on MCI/TelecomUSA's proposed discontinuance of service, including the steps taken to notify customers in light of the notification procedures prescribed in section 63.71(a) of the Commission's rules and given MCI/TelecomUSA's stated inability to provide conventional notification to the end users that use its services. In accordance with section 63.71(c) of the Commission's rules, MCI/TelecomUSA's application will be deemed to be granted automatically on the 31st day after the release date of this public notice, unless the Commission notifies MCI/TelecomUSA that the grant will not be automatically effective. In the application, MCI/TelecomUSA indicates that it plans to discontinue the sale of new prepaid long distance cards and to no longer allow cardholders to recharge their previously purchased cards on or after April 17, 2012, subject to Commission authorization. Accordingly, pursuant to section 63.71(c) and the terms of MCI/TelecomUSA's application, absent further Commission action, MCI/TelecomUSA may discontinue the affected services in the Service Areas in accordance with its filed representations on or after **April 17, 2012**. The Commission normally will 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.

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. Comments objecting to this application must be filed with the Commission on or before **March 23, 2012**. Such comments should refer to **WC Docket No. 12-62 and Comp. Pol. File No. 1030**. Comments should include specific information about the impact of this proposed discontinuance on the commenter, including any inability to acquire reasonable substitute service. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998). Comments filed through the ECFS can be sent as an electronic file via the Internet to <http://fjallfoss.fcc.gov/ecfs2/>. Filers should follow the instructions provided on the Web site for submitting comments. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number.

Parties who choose to file by paper must file an original and one copy of each filing. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, S.W., Room TW-A325, Washington, D.C. 20554. The filing hours are Monday through Friday, 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol

Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington, D.C. 20554.

Two copies of the comments should also be sent to the Competition Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 5-C140, Washington, D.C. 20554, Attention: Carmell Weathers. In addition, comments should be served upon the Applicants. Commenters are also requested to fax their comments to the FCC at (202) 418-1413, Attention: Carmell Weathers.

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 Rodney McDonald, (202) 418-7513 (voice), rodney.mcdonald@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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