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DA 13-1758

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APPLICATIONS OF VERIZON NEW JERSEY INC. AND VERIZON NEW YORK INC. TO DISCONTINUE DOMESTIC TELECOMMUNICATIONS SERVICES WILL NOT BE AUTOMATICALLY GRANTED

WC Docket Nos. 13-149 & 13-150 Comp. Pol. File Nos. 1112 & 1115

On May 24, 2013 and June 7, 2013, Verizon New Jersey Inc., located at 540 Broad Street, Newark, NJ 07102 and Verizon New York Inc., located at 140 West Street, New York, NY 10007 (collectively, Verizon or Applicants), filed applications requesting authority under section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and section 63.71 of the Federal Communications Commission's (FCC or Commission) rules, 47 C.F.R. § 63.71, to discontinue certain domestic telecommunications services in certain parts of New Jersey and New York affected by Hurricane Sandy. On June 14, 2013, Verizon filed a letter to update the record regarding notice to customers affected by the Barrier/Fire Island Application. On June 28, 2013, the Bureau released Public Notices announcing that Verizon's applications would be deemed to be automatically granted on August 27, 2013, the 60th day after the release date of the Public Notices, unless the Bureau notifies Verizon that the grants will not be automatically effective. With this Public Notice, the Bureau announces that the above-referenced Verizon applications to discontinue services will not be automatically granted.

The Commission typically authorizes proposed discontinuances of service on a streamlined basis when there are no concerns that customers or other end users would be unable to receive service or a

¹ Letter from Frederick Moacdieh, Executive Director – Federal Regulatory Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, Attach., WC Docket No. 13-149 (filed May 24, 2013) (Special Access Application), *available at* http://apps.fcc.gov/ecfs/document/view?id=7022424987; Letter from Frederick E. Moacdieh, Executive Director – Federal Regulatory Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, Attach., WC Docket No. 13-150 (filed June 7, 2013) (Barrier/Fire Island Application), *available at* http://apps.fcc.gov/ecfs/document/view?id=7022424983. A detailed description of the services that Verizon seeks to discontinue and its explanation for the requests are set forth in Verizon's applications to discontinue service.

² See Letter from Frederick E. Moacdieh, Executive Director – Federal Regulatory Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 13-150 (filed June 14, 2013) (stating that Verizon is sending additional notice to the billing address of a number of customers that were previously notified at their service address, and that Verizon has since identified an additional 65 affected customers that are being provided with the notice attached to the Barrier/Fire Island Application). The Competition Policy Division of the Wireline Competition Bureau (Bureau) subsequently received Verizon's letter on June 18, 2013.

³ Comments Invited on Application of Verizon New Jersey Inc. and Verizon New York Inc. to Discontinue Domestic Telecommunications Services, Public Notice, WC Docket No. 13-149, Comp. Pol. File No. 1112, 28 FCC Rcd 9193, 9195 (Wireline Comp. Bur. 2013); Comments Invited on Application of Verizon New Jersey Inc. and Verizon New York Inc. to Discontinue Domestic Telecommunications Services, Public Notice, WC Docket No. 13-150, Comp. Pol. File No. 1115, 28 FCC Rcd 9198, 9202 (Wireline Comp. Bur. 2013).

reasonable substitute from another carrier, or that the public convenience and necessity would be otherwise adversely affected. Where there are concerns in the record as to whether a service has reasonable substitutes or whether the present or future public convenience and necessity will be adversely affected, the Commission may take a petition off the automatic grant if necessary to allow further review of the discontinuance application, consistent with its statutory obligations. In this case, numerous parties raised concerns about Verizon's proposed discontinuances and, in particular, opposed an automatic grant of the proposed discontinuances. In addition, the Bureau has requested additional information from Verizon regarding the Barrier/Fire Island Application. Given the circumstances, we conclude that further review is appropriate and the public interest will not be served by an automatic grant of Verizon's applications. Therefore, by this Public Notice, Verizon is notified that the above-referenced applications to discontinue domestic telecommunications services will not be granted automatically. We emphasize that our removal of Verizon's applications from the automatic grant process should not be construed as a final determination on the merits of Verizon's requests for authority to discontinue services.

We remind all interested parties that intend to make *ex parte* presentations in the above-referenced proceedings that these proceedings are considered "permit but disclose" proceedings for purposes of the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1)

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⁴ 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, CC Docket No. 79-252, First Report and Order, 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, NSD File No. W-P-D-497, Public Notice, 16 FCC Rcd 14935 (Comm. Carr. Bur. 2001) (removing discontinuance application from streamlined grant).

The Commission received more than 70 comments in WC Docket No. 13-150, with several commenters voicing concerns about the limitations of Voice Link service, its suitability as a replacement for the wireline telecommunications services Verizon proposes to discontinue, and the need for a thorough investigation of the issues involved in this proceeding. *See, e.g.*, AARP Comments at 15-16 (stating that the substitution of Voice Link eliminates a common carrier network that has supported a wide variety of technologies and services of benefit to consumers, and jeopardizes public safety because it is incompatible with Life Alert systems and security systems); CWA Comments at 8, 20-24 (suggesting that the Commission deny an automatic grant of Verizon's application and consider further data to evaluate Voice Link as an alternative); NYPSC Comments at 2 (urging the Commission to postpone its decision until the NYPSC can make an assessment of Voice Link as an alternative service); NJBPU Comments at 6 (suggesting that the Commission should not automatically grant Verizon's application as the NJBPU awaits a discontinuance filing from Verizon); Public Knowledge Comments at 7-12 (asserting that Voice Link is a downgrade from wireline telecommunications). The Commission also received comments in WC Docket No. 13-149 opposing an automatic grant of Verizon's application. *See, e.g.*, Comments of the NJ Division of Rate Counsel, National Association of State Utility Consumer Advocates, and the Utility Reform Network at 25 (stating that the Commission should deny or defer action on Verizon's applications pending further State review).

⁶ See Letter from Julie A. Veach, Chief, Wireline Competition Bureau, FCC, to Kathleen Grillo, Senior Vice President – Federal Regulatory Affairs, Verizon, Attach., WC Docket No. 13-150, DA 13-1760 (Wireline Comp. Bur. rel. Aug. 14, 2013).

⁷ See 47 C.F.R. § 63.71(c) ("The application to discontinue . . . shall be automatically granted on the 60th day . . . unless the Commission has notified the applicant that the grant will not be automatically effective").

⁸ 47 C.F.R. §§ 1.1200 *et seq*. Although "inquiries relating solely to the status" of the proceedings do not qualify as *ex parte* presentations, communications "directed to the merits or outcome" of the proceedings fall within the definition for such presentations. *See* 47 C.F.R. § 1.1202.

list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.*, .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

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.