

**JOINT STATEMENT OF  
CHAIRMAN KEVIN J. MARTIN  
AND  
COMMISSIONER DEBORAH TAYLOR TATE**

*Re: 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*

Broadband access is essential to an expanding Internet-based information economy. Promoting broadband deployment is one of the highest priorities of the FCC. To accomplish this goal, the Commission seeks to establish a policy environment that facilitates and encourages broadband investment, allowing market forces to deliver the benefits of broadband to consumers. Today, we take another step in establishing a regulatory environment that encourages such investments and innovation by granting Verizon's petition for regulatory relief of its broadband infrastructure and fiber capabilities. This relief will enable Verizon to have the flexibility to further deploy its broadband services and fiber facilities without overly burdensome regulations.

In December 2004, Verizon requested that the Commission forbear from applying common carrier regulations and the *Computer Inquiry* requirements to its high capacity broadband services.<sup>1</sup> Verizon stated that its request for relief excludes traditional special access services (DS1 and DS3 services) and excludes TDM-based optical networking.<sup>2</sup> Verizon also stated that it would continue to make these services available as wholesale common carrier services.<sup>3</sup> Finally, Verizon also narrowed its petition by stating that it "does not seek forbearance of federal universal service obligations<sup>4</sup> for the services at issue in this petition."<sup>5</sup>

---

<sup>1</sup> Petition of the Verizon Telephone Companies For Forbearance, WC Docket No. 04-440, at 1 (filed Dec. 20, 2004) (Verizon Petition). Earlier this year, Verizon clarified the scope of its request by identifying the specific services for which it seeks relief. Letter from Edward Shakin, Vice President and Associate General Counsel, Verizon, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 04-440, at Attach. 1 (filed Feb. 7, 2006) (Verizon Feb. 7, 2006 Letter) (including a list of 10 specific broadband services for which Verizon is seeking forbearance). These services include packet-switched broadband services, such as Frame Relay and Asynchronous Transfer Mode Cell Relay (ATM) as well as non-time division multiplexing-based (non-TDM-based) optical networking, optical hubbing, and optical transmission services. Verizon Feb. 7, 2006 Letter at 2-3.

<sup>2</sup> Verizon Feb. 7, 2006 Letter at 2-3.

<sup>3</sup> *Id.*

<sup>4</sup> Our action today does not constitute a failure to ensure adequate law enforcement access to Verizon's broadband services. Rather, as we made clear in our CALEA decision last summer, broadband internet access services, and the facilities used to provide such internet access, are subject to the Communications Assistance for Law Enforcement Act. *Communications Assistance for Law Enforcement Act and Broadband Access and Services*, ET Docket No. 04-295, RM-10865, First Report and Order and Further Notice of Proposed Rulemaking, 20 FCC Rcd. 14989 (2005).

<sup>5</sup> Letter from Susanne A. Guyer, Senior Vice President Federal Regulatory Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 04-440 (filed Feb. 17, 2006) (Verizon Feb. 17, 2006 Letter) (citing *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order and Second Further Notice of Proposed Rulemaking, 17 FCC Rcd 24952 (2002) (*Universal Service Contribution Methodology NPRM*); see generally 47 U.S.C. § 254.

The narrowed petition, and the corresponding relief afforded to Verizon, is consistent with and similar to the relief provided in recent Commission decisions regarding broadband services,<sup>6</sup> packet switching,<sup>7</sup> and fiber facilities.<sup>8</sup> In those decisions, the Commission determined to relax regulations where competition was significant and where regulations acted as a disincentive to deploy new broadband technologies. The relief provided as a result of this petition is similar. As Verizon states, “[t]he relief sought [for these services] is the same as the Commission already provided for broadband transmission services that are used to provide Internet access services in its recent [*Wireline Broadband Internet Access Services Order*].”<sup>9</sup> Thus, we proposed granting Verizon’s limited relief. While a majority of the Commission did not explicitly grant today’s relief, the effect given to the petition by operation of law grants Verizon’s further broadband relief, continuing our policy to encourage new investment.<sup>10</sup>

---

<sup>6</sup> *Appropriate Framework for Broadband Access to the Internet over Wireline Facilities; Universal Service Obligations of Broadband Providers*, CC Docket No. 02-33; *Review of Regulatory Requirements for Incumbent LEC Broadband Telecommunications Services*, CC Docket No. 01-337; *Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services; 1998 Biennial Regulatory Review – Review of Computer III and ONA Safeguards and Requirements*, CC Docket Nos. 95-20, 98-10; *Conditional Petition of the Verizon Telephone Companies for Forbearance Under 47 U.S.C. § 160(c) with Regard to Broadband Services Provided Via Fiber to the Premises; Petition of the Verizon Telephone Companies for Declaratory Ruling or, Alternatively, for Interim Waiver with Regard to Broadband Services Provided Via Fiber to the Premises*, WC Docket No. 04-242; *Consumer Protection in the Broadband Era*, WC Docket No. 05-271, Report and Order and Notice of Proposed Rulemaking, 20 FCC Rcd 14853, 14872-14915, paras. 32-111 (2005) (*Wireline Broadband Internet Access Services Order*), petitions for review pending, *Time Warner Telecom v. FCC*, No. 05-4769 (and consolidated cases) (3rd Cir. filed Oct. 26, 2005).

<sup>7</sup> See *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket Nos. 01-338, 96-98, 98-147, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, 18 FCC Rcd 16978 (2003) (*Triennial Review Order*), corrected by *Triennial Review Order Errata*, 18 FCC Rcd at 19022, para. 26, *aff’d in part, remanded in part, vacated in part, United States Telecom Ass’n v. FCC*, 359 F.3d 554, 564-93 (D.C. Cir. 2004) (*USTA II*), cert. denied, 125 S. Ct. 313, 316, 345 (2004); *Petition for Forbearance of the Verizon Telephone Companies Pursuant to 47 U.S.C. § 160(c); SBC Communications Inc.’s Petition for Forbearance Under 47 U.S.C. § 160(c); Qwest Communications International Inc. Petition for Forbearance Under 47 U.S.C. § 160(c); BellSouth Telecommunications, Inc. Petition for Forbearance Under 47 U.S.C. § 160(c)*, WC Docket Nos. 01-338, 03-235, 03-260, 04-48, Memorandum Opinion and Order, 19 FCC Rcd 21496 (2004) (*Broadband 271 Forbearance Order*).

<sup>8</sup> *Id.*; *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket Nos. 01-338, 96-98, 98-147, Order on Reconsideration, 19 FCC Rcd 15856, 15859-61, paras. 7-9 (2004) (*Triennial Review MDU Reconsideration Order*); *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket Nos. 01-338, 96-98, 98-147, Order on Reconsideration, 19 FCC Rcd 20293, 20297-20303, paras. 9-19 (2004) (*Triennial Review FTTC Reconsideration Order*).

<sup>9</sup> Verizon Feb. 7, 2006 Letter at 3.

<sup>10</sup> It arguably would have been preferable to have reached consensus on a proposal clearly setting forth the relief granted today.