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November 21, 2000

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Telecom Division
International Bureau

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, S.W.
Washington, DC 20554

Re: Section 214 Application

Dear Ms. Salas:

On behalf of Verizon Global Solutions Inc. (formerly Bell Atlantic Global Network & Transport Solutions, Inc.), attached please find an original and five copies of an application for section 214 authority. An \$815.00 application fee was paid electronically yesterday (Audit Code: 167552203251415).

Please do not hesitate to contact the undersigned should you have any questions.

Sincerely,

John F. Papandrea

John F. Papandrea

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Before the

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Telecom Division
International Bureau

FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

Verizon Global Solutions Inc.)
(formerly Bell Atlantic Global Network)
& Transport Solutions, Inc.))

Non-Streamlined ITC-214-20001121-00682
VERIZON GLOBAL SOLUTIONS INC.

Application for Authority Pursuant to)
Section 214 of the Communications Act of 1934,)
as Amended, For Authority to Operate as an)
International Facilities-Based and Resale)
Carrier)

APPLICATION FOR SECTION 214 AUTHORITY

Verizon Global Solutions Inc. ("VGSI"), formerly Bell Atlantic Global Network &

Transport Solutions, Inc.),¹ hereby requests authority, pursuant to section 214 of the

Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and sections 63.18(e)(1)
and 63.18(e)(2) of the Commission's rules, 47 C.F.R. § 63.18(e)(1) and 63.18(e)(2), to provide
international facilities-based and resale services between all points in Massachusetts and
international facilities-based and resale services between all points in Massachusetts and
international points. Specifically, this application requests authority for VGSI:

- (1) to provide global international facilities-based service between all points in
Massachusetts and all international points, except Gibraltar and countries listed on
the Commission's exclusion list;²

¹ VGSI's affiliates, Bell Atlantic Communications, Inc., d/b/a Verizon Long Distance
("VLD"), NYNEX Long Distance Company, d/b/a Verizon Enterprise Solutions ("VES"), and
Verizon Select Services Inc. ("VSSI") are filing separate applications for similar authority.

² Compania Anonima Nacional Telefonos de Venezuela ("CANTV"), a carrier in
Venezuela, is affiliated with VGSI's parent company Verizon Communications Inc. (formerly

- (2) to resell international services of all authorized U.S. carriers between all points in Massachusetts and all international points.

The requested authority is similar to that granted to Bell Atlantic Communications, Inc. (“BACF”) and NYNEX Long Distance Company (“NYNEX-LD”) contemporaneously with approval of Bell Atlantic’s section 271 application for New York. VGSI’s requested international authority for Massachusetts is identical to the authority the Commission granted to VGSI on August 24, 2000 (ITC-214-20000720-00450) to provide international services to and from New York.

Pursuant to section 63.10 of the Commission’s rules, 47 C.F.R. § 63.10, VGSI is entitled to non-dominant treatment for all of the above services, except for services to or from Venezuela, the Dominican Republic and Gibraltar. On routes to or from Gibraltar, the Dominican Republic, and Venezuela, VGSI certifies that it will comply with the Commission’s dominant carrier regulations. VGSI also is entitled to non-dominant treatment on the U.S.-Gibraltar, U.S.-Dominican Republic, and U.S.-Venezuela routes to the extent that it serves those routes by reselling the international services of unaffiliated U.S. facilities-based carriers.³

This application is integrally related to the pending application of VGSI’s affiliates, VLD and VES, to provide in-region, interLATA services in Massachusetts, pursuant to section 271 of

known as Bell Atlantic Corporation) as that term is defined in section 63.09(e) of the Commission’s rules, 47 C.F.R. § 63.09(e). The current settlement rates that CANTV charges U.S. international carriers to terminate traffic in Venezuela are not below the Commission’s relevant benchmarks adopted in IB Docket No. 96-261, but will meet the benchmark on January 1, 2001. Accordingly, VGSI requests that the present request automatically extend to facilities-based service between the United States and Venezuela once CANTV’s settlement rates meet the relevant benchmark.

³ 47 C.F.R. § 63.10(a)(4).

the Act, 47 C.F.R. § 271.⁴ That application was filed on September 22, 2000 and must be acted upon by December 21, 2000. In order not to delay VGSI's ability to offer customers in Massachusetts a full complement of interLATA services, VGSI requests authority to provide international services no later than the date of approval of Verizon's pending section 271 application for Massachusetts.⁵ Accordingly, VGSI requests prompt action on this application.

Description of Applicant

VGSI is an indirect, wholly-owned subsidiary of Verizon Communications Inc. (formerly known as Bell Atlantic Corporation) ("Verizon") and is a corporation organized under the laws of the State of Delaware. VGSI is currently authorized to provide resold and facilities-based international telecommunications services originating in New York and outside of the Bell Atlantic in-region states.⁶

⁴ *Application by Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance (d/b/a Verizon Enterprise Solutions), and Verizon Global Networks Inc., for Authorization to Provide In-Region, InterLATA Services in Massachusetts*, CC Docket No. 00-176 (filed Sept. 22, 2000).

⁵ Issues relating to whether Verizon should receive interLATA authority are not relevant to this application, but will be considered in proceedings dealing with section 271 applications filed by Verizon's local operating companies.

⁶ VGSI was authorized to provide resold and facilities-based international services on August 24, 2000, ITC-214-20000720-00450. Verizon's "in-region" states are the states formerly served by Bell Atlantic's local operating telephone companies. These states are Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, the District of Columbia, Virginia, and West Virginia. See 47 U.S.C. § 271(i); see also *Bell Atlantic Communications, Inc. Application for Global Authority to Provide Facilities-based Switched, Private Line, and Data Services between the United States and International Points*, 12 FCC Rcd 1880 (1997) ("*Facilities Order*"); *Application of GTE CORPORATION, Transferor, and BELL ATLANTIC CORPORATION, Transferor For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License*, FCC 00-221 (June 16, 2000), CC Docket No. 98-184 ("*Merger Order*") at ¶ 401. *NYNEX Long Distance Company Application for Authority to Provide International Services from Certain Parts of the United States to International Points through the Resale of International Switched Services*, 11 FCC

Verizon, VGSI's parent company, has ownership interests in several foreign carriers, as the term "foreign carrier" is defined in section 63.09(d) of the Commission's rules, 47 C.F.R. § 63.09(d). Through some of these interests, VGSI is "affiliated" with foreign carriers within the meaning of section 63.09(e) of the Commission's rules, 47 C.F.R. § 63.09(e). These entities are described fully in the response to section 63.18(i) below.

Eligibility for Non-Dominant Treatment

VGSI is entitled to non-dominant treatment for all facilities-based authority applied for herein, except U.S.-Venezuela and U.S.-Dominican Republic routes. VGSI agrees to accept regulation as a dominant carrier on the routes between the United States and Venezuela and the Dominican Republic, and is not seeking to serve Gibraltar on a facilities basis.⁷

In addition, VGSI qualifies as a non-dominant carrier for resale authority to or from all countries except Gibraltar, the Dominican Republic, and Venezuela. VGSI requests authority to resell international services of all authorized U.S. carriers, between all points in Massachusetts and all international points, except those countries on the Commission's exclusion list. The Commission already has classified VGSI as non-dominant in the provision of international services originating in the State of New York as well as in out-of-region states on all routes except U.S.-Dominican Republic, U.S. - Gibraltar, and U.S.-Venezuela. The Commission's classification, in part, reflects the fact that the Commission previously classified Bell Operating Company (BOC) interLATA affiliates as non-dominant in the provision of in-region, international services.⁸

Rcd 8685 (1996) ("*Resale Order*").

⁷ 47 C.F.R. § 63.10(e).

⁸ *Regulatory Treatment of LEC Provision of Interexchange Services Originating in the LEC's Local Exchange Area and Policy and Rules Concerning the Interstate, Interexchange*

Accordingly, VGSI should also be classified as a non-dominant reseller for its services on all routes to and from Massachusetts except the routes between the U.S.-Gibraltar, the U.S.-Dominican Republic, and the U.S.-Venezuela.⁹

Public Interest

VGSI was organized to provide international telecommunications services, predominantly international transport and connectivity to Verizon's broad base of wholly owned domestic and international subsidiaries,¹⁰ partially owned Verizon affiliates and business partners outside the United States, unaffiliated carriers, and multinational companies with facilities throughout the world. The 214 authorization sought in this application will allow VGSI to pursue its business in Massachusetts and bring benefits to Verizon's international customers in Massachusetts.

VGSI's application is different than but related to the 214 application of Verizon Long Distance. In the United States, Verizon offers retail long distance services through three affiliates – Verizon Long Distance (ex-Bell Atlantic Communications, Inc. which focuses on consumer and small business long distance offerings), Verizon Enterprise Solutions (ex-NYNEX Long Distance, which focuses on large business customers), and Verizon Select Services (ex-GTE Communications Corporation, which will focus on calling card products). Today, these entities

Marketplace, 7 Comm. Reg. (P&F) 768 (1997). The Commission withheld non-dominant classification from BOC interLATA affiliates that are affiliated with foreign carriers, as defined in Commission rules, that have the ability to discriminate against competitors through control of bottleneck facilities or services in foreign destination markets.

⁹ VGSI notes that it is not subject to dominant carrier obligations on the U.S.-Gibraltar, U.S.-Dominican Republic, and U.S.-Venezuela routes to the extent that it serves those routes by reselling the international switched services of unaffiliated U.S. facilities-based carriers. 47 C.F.R. § 63.10(a)(4).

¹⁰ These international subsidiaries are the Verizon affiliates that are authorized to provide international services.

provide international services by simply reselling the international services of other carriers, such as Sprint and MCI/WorldCom. Consequently, they do not own, operate or manage international facilities, nor do they aggregate Verizon international traffic on their resale agreements.

VGSI will operate predominantly as an international "carrier's carrier" for these Verizon affiliates and other Verizon entities that will enable it to aggregate much of Verizon's international traffic through a combination of Verizon facilities and resale agreements. VGSI will provide its services through a combination of facilities owned or leased by VGSI and through resale of others' services. The aggregation of traffic and ability to use an affiliate's facilities will allow Verizon affiliates to enjoy lower costs by realizing the economies of scale associated with Verizon's international traffic volumes. Those lower costs will ultimately be reflected in more competitive international rates throughout the Verizon service areas, and in Massachusetts in particular.

Grant of this application will serve the public interest, convenience, and necessity by enabling VGSI to offer to customers in Massachusetts international switched, private line, business, data, and all other authorized services, along with domestic interstate and intrastate long distance services, in competition with incumbent long distance carriers. The entry of VGSI into the Massachusetts international services market will benefit consumers in that state by increasing competition, lowering prices, expanding available service options, and promoting more efficient use of existing international facilities.

The instant application requests section 214 authority similar to that granted to Bell Atlantic Communications, Inc. ("BACI") and NYNEX Long Distance Company ("NYNEX-LD") contemporaneously with approval of Bell Atlantic's section 271 application for New York and identical to the authority the Commission granted to VGSI on August 24, 2000 (ITC-214-

20000720-00450). The Commission found those requests to be in the public interest and granted section 214 authority.¹¹ Given the similarity of those filings to this application, the same result is plainly warranted here.

In order not to delay VGSI's ability to offer customers in Massachusetts a full complement of interLATA services, VGSI must obtain authority to provide the requested international services no later than the date of approval of Verizon's pending section 271 application. Any other outcome would deny consumers the full benefits of competition set forth above, and thus would clearly *not* serve the public interest.

Section 63.18 Information

In support of this application, VGSI submits the following information in accordance with section 63.18 of the Commission's rules:

- (a) The name, address and telephone number of the applicant is:

Verizon Global Solutions Inc.
110 Allen Road, Suite 300
Liberty Corner, New Jersey 07938
(908) 647-6557
- (b) VGSI is incorporated under the laws of the State of Delaware.
- (c) Correspondence concerning this application should be addressed to:

Mark Sievers
Vice President
Verizon Global Solutions Inc.
110 Allen Road, Suite 300
Liberty Corner, New Jersey 07938
Telephone: (908) 647-6557
Facsimile: (908) 647-5369

¹¹ *Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act To Provide In-Region, InterLATA Service in the State of New York*, 1999 FCC LEXIS 6564 (rel. Dec. 22, 1999) ("New York 214 Order") at ¶ 2.

with copies to:

Leslie A. Vial
Counsel
Verizon Global Solutions Inc.
1320 N. Courthouse Road
8th Floor
Arlington, VA 22201
Telephone: (703) 974-2819
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Nancy J. Victory
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Washington, DC 20006
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(d) VGSI is authorized to resell basic international switched services originating from the State of New York and all other out-of-region states to all international points except Gibraltar, Venezuela, and the Dominican Republic, all of which it serves as a dominant carrier.¹² In addition, VGSI is authorized to provide facilities-based international switched, private line, and data services from the United States, except calls originating in in-region states other than New York, to all international points except Gibraltar and countries listed on the Commission's

¹² VGSI's current section 214 authorization is file number ITC-214-20000720-00450. In the Order approving the Bell Atlantic/GTE merger, the Commission imposed dominant carrier regulation of Verizon affiliates on the U.S.-Gibraltar, U.S.-Dominican Republic, and U.S.-Venezuela routes. See *Application of GTE CORPORATION, Transferor, and BELL ATLANTIC CORPORATION, Transferee For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License*, FCC 00-221 (June 16, 2000), CC Docket No. 98-184 ("Merger Order") at ¶¶ 402-424.

exclusion list. VGSI serves the Dominican Republic and Venezuela as a dominant, facilities-based carrier.¹³

(e) Pursuant to the terms and conditions of section 63.18(e)(1) and 63.18(e)(2) of the Commission's rules, 47 C.F.R. § 63.18(e)(1) and 63.18(e)(2), VGSI requests authority:

- (1) to provide global international facilities-based service between all points in Massachusetts and all international points, except Gibraltar and countries listed on the Commission's exclusion list;¹⁴ and
- (2) to resell international services of all authorized U.S. carriers between all points in Massachusetts and all international points, except those countries on the Commission's exclusion list.

VGSI certifies that it will comply with the terms and conditions contained in section 63.21, 63.22, and 63.23 of the Commission's rules, 47 U.S.C. § 63.21, 63.22, and 63.23.

- (f) Not applicable.
- (g) Not applicable.
- (h) VGSI certifies that it is an indirect, wholly-owned subsidiary of Verizon Communications Inc. (formerly known as Bell Atlantic Corporation) ("Verizon"), a Delaware corporation with offices at 1095 Avenue of the Americas, New York, New York 10036.

¹³ See, generally, *Merger Order*; *Facilities Order*; *NYNEX Gibraltar Order*.

¹⁴ VGSI requests authority to offer switched services over private lines to and from those markets for which the Commission has already approved or later approves such services. In addition, as stated above, because the current settlement rates that CANTV charges U.S. international carriers to terminate traffic in Venezuela are not below the Commission's relevant benchmarks adopted in IB Docket No. 96-261, VGSI requests that the present request automatically extend to facilities-based service between the United States and Venezuela as of January 1, 2001, when CANTV's settlement rates meet the relevant benchmark.

Verizon's principal business is the provision of telecommunications services to the public. No single shareholder holds more than 10 percent of Verizon's equity.

VGSI certifies Thomas A. Bartlett and Christopher M. Bennett serve as directors of both VGSI and Grupo Iusacell, S. A. de C. V. ("Iusacell"), which, through subsidiaries, provides domestic cellular telecommunications and international telecommunications services in Mexico and is affiliated with VGSI as that term is defined in section 63.09 of the Commission's rules, 47 C.F.R. § 63.09.

(i) VGSI is affiliated, as that term is defined in section 63.09 of the Commission's rules, 47 C.F.R. § 63.09, with the following foreign carriers:

- (1) Iusacell: Verizon also indirectly owns approximately 37% of Grupo Iusacell, S. A. de C. V. ("Iusacell"), which, through subsidiaries, provides domestic cellular telecommunications and international telecommunications services in Mexico. Iusacell itself owns no international facilities and holds a small share of the international switched services resale market in Mexico. Its domestic cellular facilities and international services are offered in addition to the existing facilities and services of other providers. The Commission already has ruled that Iusacell does not control bottleneck services or facilities and that, therefore, Iusacell lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Mexico.¹⁵
- (2) TELUS Corporation, Quebec Telephone, and Clearnet Communications Inc.: Through its subsidiary GTE, Verizon owns 26.7 % of TELUS Corporation

¹⁵ *Facilities Order*, 12 FCC Rcd at 1889.

(“TELUUS”), which provides telecommunications services within its certificated territory in the Provinces of Alberta and British Columbia, and 48.85% of Quebec Telephone (“Quebec Tel”) which provides telecommunications service within its certificated territory in the Province of Quebec. The agency already has found that GTE is non-dominant on the U.S.-Canada route.¹⁶

TELUUS recently acquired a 98% stake in Clearnet Communications Inc. (“Clearnet”), a nationwide cellular operator in Canada. Because Clearnet only controls mobile facilities in Canada, it lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Canada. Thus, VGSI should continue to be regulated as non-dominant on the U.S.-Canada route.¹⁷

- (3) CODETEL: Through GTE, Verizon owns 100% of the Compania Dominicana de Telefonos (“CODETEL”), which provides domestic and international telecommunications services in the Dominican Republic. The current rates CODETEL charges U.S. international carriers to terminate traffic are at or below the Commission’s relevant benchmark adopted in IB Docket No. 96-261.

However, the Commission has classified CODETEL as dominant on the U.S.-Dominican Republic route.¹⁸ Therefore, with respect to facilities-based and resale

¹⁶ See, e.g., *Merger Order* at ¶ 418; *Petition of GTE Hawaiian Telephone Company, Inc. for Reclassification as a Non-dominant IMTS Carrier*, 11 FCC Rcd 20354, ¶ 63 (1996).

¹⁷ Cf. 47 C.F.R. § 63.12(c)(1)(iii).

¹⁸ In a previously-granted application, VGSI, then known as Bell Atlantic Global Network & Transport Solutions, Inc. (“GNTS”), agreed to be regulated as a dominant carrier on the U.S.-Dominican Republic, U.S.-Gibraltar, and U.S.-Venezuela routes. However, to the extent VGSI provides service on these routes through resale of international switched services of unaffiliated U.S. facilities-based carriers, it qualifies for non-dominant treatment. See *International Authorizations Granted*, Aug. 24, 2000 (ITC-214-20000720-00450); *Resale Order*.

service, VGSI agrees to be regulated as dominant on the U.S.-Dominican Republic route. However, VGSI is entitled to be regulated as a non-dominant carrier on this route to the extent that it resells the international services of unaffiliated facilities-based carriers.

- (4) CANTV: Through GTE, Verizon owns 28.04% of Compania Anonima Nacional Telefonos de Venezuela (“CANTV”) which provides domestic and international telecommunications services in Venezuela. The current settlement rates CANTV charges U.S. international carriers to terminate traffic are not below the Commission’s relevant benchmark adopted in IB Docket No. 96-261, but will meet the benchmark on January 1, 2001. The Commission has classified CANTV as dominant on the U.S.-Venezuela route. Therefore, with respect to facilities-based and resale service, VGSI agrees to be regulated as dominant on the U.S.-Venezuela route. However, VGSI is entitled to be regulated as a non-dominant carrier on this route to the extent that it resells the international switched services of unaffiliated U.S. facilities-based carriers. 47 C.F.R. § 63.10(a)(4).

- (5) CTI: Through GTE, Verizon owns 58.95% of CTI Compania de Telefonos del Interior S.A. and CTI Norte Compania de Telefonos del Interior S.A. (collectively “CTI”) which provide mobile telecommunications services in Argentina. Because CTI controls only mobile wireless facilities in Argentina, it lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Argentina.

Thus, VGSI should continue to be classified as non-dominant on the U.S.-Argentina route.¹⁹

- (6) FLAG Telecom Holdings Limited: Through its subsidiary, Bell Atlantic Network Systems Company, Verizon holds a 29.41% interest in FLAG Telecom Holdings Limited (“FLAG”). FLAG has licenses and authorizations in numerous countries, such as:
- (i) France: A FLAG subsidiary, FLAG Atlantic France (“FAF”), holds an infrastructure license (L 33.1) that authorizes it to install and operate a network in six regions of France (Bretagne, Basse Normandie, Haute Normandie, Ile de France, Nord-Pas de Calais, and Picardie). FAF has a trivial market share in France and competes directly with France Telecom, which the Commission has classified as a dominant carrier in France. Thus, VGSI lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in France and should, therefore, be regulated as non-dominant on the U.S.-France route.
 - (ii) Italy: FLAG’s subsidiary, FLAG Telecom Ireland Limited (“FTIL”), has a resale authorization in Italy. FTIL controls no facilities, has a tiny market share, and competes with Telecom Italia, which the Commission has previously classified as a dominant carrier in Italy. Thus, VGSI lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Italy and should, therefore, be regulated as non-dominant on the U.S.-Italy route.

¹⁹ Cf. 47 C.F.R. § 63.12(c)(1)(iii).

(iii) Japan: FLAG holds a Type I (infrastructure and service) license in Japan. FLAG is one of many Type I licensees, and its market share in Japan is extremely small. Moreover, it controls no bottleneck facilities and it competes directly with Kokusai Denshin Denwa Co., Ltd. (“KDD”) and Nippon Telegraph & Telephone Corporation (“NTT”), both of which the Commission classifies as dominant carriers. Thus, VGSI lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Japan and should, therefore, be regulated as non-dominant on the U.S.-Japan route.

(iv) Netherlands: FTTL holds a reseller license in the Netherlands. However, FTTL’s market share in the Netherlands is tiny, and the company controls no facilities. Moreover, it competes directly with KPN Telecom NV, an entity the Commission has previously classified as a dominant carrier in the Netherlands. Thus, VGSI lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in the Netherlands and should, therefore, be regulated as non-dominant on the U.S.-Netherlands route.

(v) Singapore: A FLAG subsidiary, FLAG Telecom Singapore (“FTS”), holds a facilities-based operator license in Singapore. However, because FTS has an extremely small market share and competes directly with Singapore Telecom, VGSI lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Singapore and should, therefore, be regulated as non-dominant on the U.S.-Singapore route.

(vi) United Kingdom: FTTL holds a public telecommunications operator (infrastructure and service) license in the United Kingdom. However, because

FTIL has an extremely small market share in the UK and competes directly with British Telecom, VGSI lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in the United Kingdom and should, therefore, be regulated as non-dominant on the U.S.-UK route.

- (7) GTEFE: Through Verizon Hawaii Inc. (“VHI”), Verizon is affiliated with GTE Far East (Services) Limited (“GTEFE”), a wholly-owned subsidiary of VHI. GTEFE is one of the hundreds of entities that have Special Type II licenses in Japan. GTEFE has a tiny market share in Japan and competes with KDD and NTT, both of which the Commission classifies as dominant carriers. The Commission has determined that GTEFE lacks market power in Japan.²⁰ Therefore, VGSI plainly lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Japan and should, therefore, be regulated as non-dominant on the U.S.-Japan route.

- (8) Gibraltar NYNEX Communications Ltd. (“Gibraltar NYNEX”): VGSI is affiliated with Gibraltar NYNEX, a Verizon subsidiary that is authorized to provide domestic wireline communications in Gibraltar and international telecommunications services between Gibraltar and Spain. The Commission previously determined that Gibraltar NYNEX was a dominant carrier in Gibraltar.²¹ VGSI does not seek to serve Gibraltar on a facilities basis.

- (j) VGSI certifies that:

²⁰ *Merger Order* at ¶ 421.

²¹ *Id.* at ¶ 415.

(1) it does not seek to provide international telecommunications services to any destination country in which VGSI is a foreign carrier or controls a foreign carrier;

(2) no foreign carriers own more than 25 percent of VGSI;

(3) it seeks to serve certain destination countries in which Verizon, VGSI's parent corporation, controls foreign carriers. These foreign carriers and destination countries are:

Iusacell (Mexico); TELUS, Quebec Tel, and Clearnet (Canada); CODETEL (Dominican Republic); CANTV (Venezuela); CTI (Argentina); FLAG (France, Italy, Japan, Netherlands, Singapore, and the United Kingdom); GTEFFE (Japan); and Gibraltar NYNEX (Gibraltar).

(4) other than Verizon (see paragraph (j)(3) above), no foreign carrier, and no party that controls a foreign carrier, controls more than 25 percent of VGSI.

(k) All of the countries listed in paragraph (j)(3) above are treated as members of the World Trade Organization.²²

(l), (m) VGSI is eligible for non-dominant treatment on all routes except U.S.-Dominican Republic, U.S.-Gibraltar, and U.S.-Venezuela. VGSI's affiliated foreign carriers in Mexico (Iusacell), Canada (TELUS, Quebec Tel, and Clearnet), Argentina (CTI), France (FLAG), Italy (FLAG), Japan (GTEFFE and FLAG), Netherlands (FLAG), Singapore (FLAG), and the United Kingdom (FLAG) lack market power in those destination markets. As stated above, the Commission has already determined that Iusacell lacks market power in Mexico. Moreover, the Commission has previously determined that Verizon was entitled to non-dominant treatment on the U.S.-Canada route.²³ Because CTI controls only mobile wireless facilities in Argentina, it

²² The U.S. Department of State has concluded that the 1994 Marrakesh Agreement Establishing the World Trade Organization applies to Gibraltar. See *Merger Order* at ¶ 412.

²³ Although TELUS has acquired a 98% interest in Clearnet since the Commission's

also lacks the ability to discriminate against unaffiliated U.S. carriers terminating traffic in Argentina and should be classified as non-dominant on the U.S.-Argentina route.²⁴ Furthermore, because GTEFE and FLAG are just two of many Special Type II and Type I licensees in Japan, have tiny market shares in Japan, and compete with KDD and NTT (carriers the Commission has classified as dominant), VGSI should be treated as non-dominant on the U.S.-Japan route. In addition, because VGSI's foreign affiliates in France, Singapore, and the United Kingdom have trivial market shares and compete directly with carriers the Commission has previously classified as dominant (France Telecom, British Telecom, and Singapore Telecom, respectively), VGSI lacks the ability to discriminate against U.S. international carriers terminating traffic in those countries. Therefore, VGSI is entitled to non-dominant treatment on the U.S.-France, U.S.-Singapore, and U.S.-UK routes. Moreover, because VGSI's affiliates control no facilities in Italy or the Netherlands, VGSI should be regulated as a non-dominant carrier on the U.S.-Italy and the U.S.-Netherlands routes. Accordingly, pursuant to section 63.10(a)(3) of the Commission's rules, VGSI is entitled to non-dominant status on each of the following affiliated routes: U.S.-Mexico, U.S.-Canada, U.S.-Argentina, U.S.-France, U.S.-Italy, U.S.-Japan, U.S.-Netherlands, U.S.-Singapore, and U.S.-UK.

VGSI's affiliated carriers in the Dominican Republic (CODETEL), Gibraltar (Gibraltar NYNEX), and Venezuela (CANTV) have not yet been declared non-dominant. Accordingly, VGSI certifies that it will comply with the Commission's dominant carrier regulations (including

determination that Verizon was entitled to non-dominant treatment on the U.S.-Canada route, VGSI is still entitled to a presumption of non-dominance on that route because Clearnet only controls mobile facilities in Canada. Therefore, Clearnet lacks the ability to discriminate against U.S. carriers terminating traffic in Canada. *Cf.* 47 C.F.R. § 63.12(c)(1)(iii).

²⁴ *Id.*

the requirements of sections 63.10 and 43.61 of the Commission's rules) with respect to its provision of facilities-based services along each of the following affiliated routes: U.S.-Dominican Republic and U.S.-Venezuela. VGSI does not seek to serve Gibraltar on a facilities basis.

Finally, as stated above, VGSI plainly qualifies as a non-dominant carrier for resale authority to or from all countries except Gibraltar, the Dominican Republic, and Venezuela. VGSI notes that it is not subject to dominant carrier obligations on the U.S.-Gibraltar, U.S.-Dominican Republic, and U.S.-Venezuela routes to the extent that it serves those routes by reselling the international services of unaffiliated facilities-based carriers, but will comply with the dominant carrier regulations on these routes to the extent it serves these routes by reselling the international switched services of unaffiliated U.S. facilities-based carriers.

(n) VGSI hereby certifies that it has not agreed to accept special concessions, as defined in section 63.14 of the Commission's rules, 47 C.F.R. § 63.14(b), directly or indirectly from any foreign carrier where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future, except as permitted by section 63.14.

(o) VGSI certifies, pursuant to sections 1.2001 and 1.2003 of the Commission's rules, 47 C.F.R. §§ 1.2001-2003, that no party to this application is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a.

CONCLUSION

For the reasons stated above, VGSI respectfully urges the Commission to grant this application no later than the date of Verizon's pending section 271 application for Massachusetts.

Respectfully submitted,



Mark Sievers
Verizon Global Solutions Inc.
110 Allen Road, Suite 300
Liberty Corner, New Jersey 07938
(908) 647-6557

Dated: November 21, 2000

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING
Electronic Audit Code:
167552203251415
(1) LOCKBOX # 358115

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

APPROVED BY OMB 3060-0589

SPECIAL USE
FCC USE ONLY

PAGE NO. 1 OF 1

SECTION A - PAYER INFORMATION

(21) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card) **SECTION A - PAYER INFORMATION** (23) TOTAL AMOUNT PAID (dollars and cents)
VERIZON \$ 815.00

(4) STREET ADDRESS LINE NO. 1
1850 M Street NW

(5) STREET ADDRESS LINE NO. 2
Suite 1200

(6) CITY
Washington, DC

(8) PAYMENT TELEPHONE NUMBER (include area code)
202-463-5295

(7) STATE DC (9) ZIP CODE 20036
(10) COUNTRY CODE (if not in U.S.A.)

**IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)**

SECTION B - APPLICANT INFORMATION

(11) APPLICANT NAME (if paying by credit card, enter name exactly as it appears on your card)
Verizon Global Solutions Inc. (VGSII)

(12) STREET ADDRESS LINE NO. 1

(13) STREET ADDRESS LINE NO. 2

(14) CITY (15) STATE (16) ZIP CODE

(17) DAYTIME TELEPHONE NUMBER (include area code)
202-463-5295 (18) COUNTRY CODE (if not in U.S.A.)

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEETS (FORM 159-C)

SECTION C - PAYMENT INFORMATION

(18A) FCC CALL SIGN/OTHER ID (20A) PAYMENT TYPE CODE (PTIC) (21A) QUANTITY (22A) FILE DUE FOR PTIC IN BLOCK 2A
Int'l 214 Appl. C U T 1 \$ 815.00 FCC USE ONLY

(23A) FCC CODE 1 (24A) FCC CODE 2

(18B) FCC CALL SIGN/OTHER ID (20B) PAYMENT TYPE CODE (PTIC) (21B) QUANTITY (22B) FILE DUE FOR PTIC IN BLOCK 2B
FCC USE ONLY

(18C) FCC CALL SIGN/OTHER ID (20C) PAYMENT TYPE CODE (PTIC) (21C) QUANTITY (22C) FILE DUE FOR PTIC IN BLOCK 2C
FCC USE ONLY

(23C) FCC CODE 1 (24C) FCC CODE 2

(18D) FCC CALL SIGN/OTHER ID (20D) PAYMENT TYPE CODE (PTIC) (21D) QUANTITY (22D) FILE DUE FOR PTIC IN BLOCK 2D
FCC USE ONLY

(23D) FCC CODE 1 (24D) FCC CODE 2

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN (26) APPLICANT TIN
0 1 3 1 6 7 5 5 2 2 0 1 3 4 1 2 3 0 1 2

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT I, _____, Certify under penalty of perjury that the foregoing and supporting information are true and correct to the best of my knowledge, information and belief. SIGNATURE _____

are true and correct to the best of my knowledge, information and belief. SIGNATURE _____

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTER/OTHER SA ACCOUNT NUMBER: _____ EXPIRATION DATE: _____
MASTERCARD MONTH YEAR

(29) VISA AUTHORIZED SIGNATURE DATE
I hereby authorize the FCC to charge my Visa or MasterCard