

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DIVISION OF PUBLIC UTILITIES AND CARRIERS

IN RE: VERIZON NEW ENGLAND INC.
APPLICATION FOR CONSTRUCTION
CERTIFICATES IN SERVICE AREAS
TWO, THREE, AND EIGHT AND
REQUEST FOR EXPEDITED
CONSIDERATION

Docket No. 2007-C-1

On August 21, 2007, the Rhode Island Division of Public Utilities and Carriers (“Division”) awarded Verizon New England Inc. (“Verizon”) Compliance Order Certificates for the communities of Providence, North Providence, Cranston, Foster, Scituate, Johnston, Westerly, Hopkinton, Richmond, Charlestown, South Kingstown, and Narragansett, which comprise Service Areas Two, Three and Eight. *See* attached Exhibit 1. On August 21, 2007 Verizon notified the Administrator in writing that it had accepted the certificates. *See* attached Exhibit 2. Under Section 3.3(g) of the Division’s Rules Governing Community Antenna Television Systems (“Cable Rules”), acceptance of a Compliance Order Certificate "authorizes and obligates the applicant to meet all requirements set forth in these rules for the Construction Certificate pursuant to Chapter 8 of these rules."

Applications for Construction Certificates are governed by Section 3.4 of the Cable Rules and Section 39-19-5 of Rhode Island General Laws. As a valid holder of accepted Compliance Order Certificates pursuant to Section 3.4 (a) of the Cable Rules,

Verizon hereby submits to the Administrator of the Division the following application and supporting materials for Construction Certificates.

Verizon intends to provide cable service in Service Areas Two, Three and Eight over its multi-purpose Fiber to the Premises (FTTP) Network. As set forth in Verizon's Application for a Compliance Order Certificate, the FTTP Network is being constructed as an upgrade to Verizon's legacy telecommunications network pursuant to Verizon's authority under Title II of the Communications Act. As such, Verizon was not required to obtain a construction certificate prior to building the network. Without waiving any arguments related to the necessity of obtaining a construction certificate, the instant application contains information to provide the Division with certain details regarding the construction and operation of the FTTP Network.

1. Maps and metes and bounds description of the certified Service Area. Rule 3.4(b)(1).

For illustration purposes, a map is attached (*see* Exhibit 3) showing Verizon's plan for delivering CATV services in Service Areas Two, Three and Eight from the relevant Verizon Video Service Offices (VSOs) as well as a metes and bounds description of the service areas (*See* Exhibit 4). Additionally, a chart illustrating the percentage of construction completed in each community in Service Areas Two, Three and Eight is attached. *See* Exhibit 5.

Verizon has not included strand maps of its existing Title II telecommunications network. Verizon is a common carrier as defined in Title II of the Communications Act, and Federal and state law give Verizon the legal authority to access the public ways in the Service Area. Under its Title II authority, Verizon is placing in the public ways fiber cable which is capable of supporting various services including FTTP/FiOSSM voice, data and video. Detailed maps of Verizon's Title II facilities are proprietary, competitively sensitive, and beyond the scope of this application. In constructing the FTTP Network, Verizon has complied with all Division regulations applicable to its Title II network construction.

2. A complete technical and narrative description of the system design, including system and equipment specifications. Rule 3.4(b)(2).

Verizon's system utilizes a national Super Head End (SHE), which serves as a single point to aggregate national programming content. The content is encoded into MPEG2 streams and transported over a SONET ring to a Video Hub Office (VHO) located in Burlington, Massachusetts. The VHO collects local or metropolitan-area content and combines it with content from the SHE. The VHO also creates Interactive Program Guides to be used by end-user subscribers. Cable television traffic is converted to optical data signals at the VHO and transported over Verizon's metro area, inter-office facilities (IOF) to VSOs. At the VSO, voice and high-speed data signals may be combined with cable television data before its final transport to end user subscribers over Verizon's FTTP Passive Optical Network (PON). Once the signal reaches the end user

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subscriber, the optical cable television signal is converted to an electrical signal which is distributed to cable ready TVs and standard set top boxes (STBs) through standard coaxial cables. Verizon will monitor and control the cable television platform from a remote Network Operations Center (NOC) location twenty-four hours per day, seven days a week. Additional technical and narrative descriptions of the system design can be found in Exhibit 6.

3. Proof of conformance with the technical, engineering, and safety standards and codes set forth in these rules. Rule 3.4(b)(3).

Verizon complies with all technical, engineering, and safety standards and codes as set forth in the Cable Rules. *See* Exhibit 7 for notarized statement of Edward Gee, Verizon Director of Network Engineering.

4. Location of towers and head end facilities. Rule 3.4(b)(4).

Verizon's two national SHEs are located in Florida and Indiana. The VHO that will provide video content to Service Areas Two, Three, and Eight is located in Burlington, Massachusetts. The VSOs for Service Areas Two, Three and Eight will be located in the Providence Washington Street, Cranston, Centredale, Pawtucket, Warwick, West Warwick, Providence Broad Street, Coventry, Glocester, Scituate, Ashaway, Weekapaug, Westerly, Carolina, Hope Valley, Narragansett and North Kingstown Wire Centers.

5. Licenses and other forms of permission required by State and local government bodies. Rule 3.4(b)(5).

As stated previously, Verizon is upgrading its network pursuant to its authority as a common carrier under Title II of the Communications Act. Generally, state and local governments do not require Verizon to obtain a license or permission merely to install new plant on poles or in existing conduit. However, where such governments do require a license or other permission, for example where Verizon must replace a pole, install a new pole or excavate in the public way, Verizon has applied for and/or obtained all licenses and other forms of permission known to be required. *See* Exhibit 7 for notarized statement of Edward Gee, Verizon Director of Network Engineering.

6. Pole attachment, conduit occupancy, and right-of-way agreements. Rule 3.4(b)(6).

Verizon is an owner or co-owner of the poles and conduit used in its FTTP upgrade of its Title II network in Rhode Island and is entitled under Rhode Island law to place its facilities in the public ways. Accordingly, no pole attachment, conduit occupancy or right-of-way agreements are required for the upgrade.

7. Copies of all arrangements with common carrier communications companies or services. Rule 3.4(b)(7).

Verizon is itself a common carrier communications company in Rhode Island and, as noted above, has an ownership interest in the poles and conduit used in the FTTP upgrade of its network. Accordingly, Verizon has not needed to enter into any arrangements with other common carrier communications companies in order to perform that upgrade.

8. Proof of a satisfactory method of maintenance and continuing records of operations to show adequacy of service and performance continuing financial responsibility. Rule 3.4(b)(8).

Verizon has been providing high quality telecommunications services, satisfactory maintenance of its telecommunications system and unparalleled customer service for its customers in Rhode Island for over one hundred years. Verizon currently employs more than 1,400 people in Rhode Island, including in its Regional FiOSSM Solution Center. The Center provides customer service and support to all of Verizon's FiOSSM customers in the northeast. Ample evidence of the financial strength and stability of the company may be found in the 2006 Annual Report to Shareholders of Verizon Communications Inc. (*See* <http://investor.verizon.com/financial/annual/2006/index.html>) and the 2006 financial statements of Verizon New England Inc. *See* Exhibit 8.

9. Satisfactory evidence of liability insurance coverage. Rule 3.4(b)(9).

Please see Exhibit 9 for Insurance Certificate as specified by Chapter 12 of the CATV Rules.

10. Corrections, updates or amplifications to Application for a Compliance Order, including system design parameters. Rule 3.4(b)(10).

None.

As demonstrated by this filing, Verizon has met the requirements of Section 3.4 of the Cable Rules. Verizon has also met, to the extent applicable at this time, all of the conditions, terms, and requirements of the Compliance Order Certificates recently awarded by the Division and accepted by Verizon. For these reasons, Verizon respectfully requests that the Division expeditiously award it Construction Certificates for Service Areas Two, Three and Eight.

REQUEST FOR EXPEDITED CONSIDERATION

As the Division knows, Verizon currently offers video service in Service Area Six, and Verizon has been building out its FTTP upgrade of its Title II network in Service Areas Two, Three and Eight for some time. Consequently, Verizon's network is currently capable of providing video service to thousands of households in Service Areas Two, Three and Eight, and Verizon would be providing such service today were it not for the need to obtain proper authorization from the Division. Accordingly, in order to avoid needless delay in the advent of real competition in the CATV market in those Service

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Areas, Verizon requests that the Division consider and then grant this Application on an expedited basis.

Respectfully Submitted,

VERIZON NEW ENGLAND INC.

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August 22, 2007