

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

**In the Matter of
Section 63.71 Application of MCI
Communications Services, Inc. and
Telecom*USA, Inc.

For Authority Pursuant to Section 214 of
the Communications Act of 1934,
To Discontinue the Provision of Service**

File no.

COMMISSION
CLERK

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**SECTION 63.71 APPLICATION OF
MCI COMMUNICATIONS SERVICES, INC. AND TELECOM*USA, INC.**

MCI Communications Services, Inc. and Telecom *USA, Inc. (collectively "Applicants") hereby submits this Application for authority under Section 214(a) of the Communications Act and Section 63.71 of the Commission's rules to discontinue future sales of prepaid long distance phone cards and the ability to recharge existing prepaid long distance phone cards throughout its service territory. Customers who previously purchased prepaid long distance phone cards will continue to be able to use them.

As required by Sections 63.71(a) and (b) of the Commission's rules, Applicants provide the following information:

1. Name and Address of Carriers (47 C.F.R. §§ 63.71 (a)(1), (b)(2)):

MCI Communications Services, Inc.
One Verizon Way
Basking Ridge, NJ 07920

Telecom*USA, Inc.
One Verizon Way
Basking Ridge, NJ 07920

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2. Date of Planned Service Discontinuance (47 C.F.R. §§ 63.71(a)(2), (b)(2)):

Subject to the Commission's authorization pursuant to Section 63.71(c) of the Commission's rules, Applicants will discontinue future sales of prepaid long distance phone cards and the ability to recharge existing prepaid long distance phone cards effective on or after April 17, 2012.

3. Points of Geographic Areas of Service Affected (47 C.F.R. §§ 63.71(a)(3), b(2)):

Subject to the Commission's authorization, Applicants will discontinue future sales of prepaid long distance phone cards and the ability to recharge existing prepaid long distance phone cards in all fifty states and the District of Columbia.

4. Brief Description of Type of Service Affected (47 C.F.R. §§ 63.71(a)(4), b(2)):

Applicants have previously sold prepaid long distance phone cards across several retail channels. These cards allowed customers to pre-pay for domestic, international, or country specific calls, and permitted customers who had exhausted the funds on previously purchased cards to re-charge them by applying more funds to the card. With an increasingly competitive marketplace and new alternatives available to consumers, Applicants have made the business decision to exit this business. Effective April 17, 2012, cardholders will no longer be able to recharge their prepaid long distance calling cards and Applicants will discontinue the sale of new cards on or after that date. However, Applicants will continue to honor customers' ability to use the remaining balance on previously purchased prepaid long distance cards.

The public convenience and necessity will not be impaired by this proposed discontinuance because there are multiple comparable alternative services available. Applicants sold their prepaid long distance phone cards across several retail channels, including Costco and BJ's, CVS and Rite-Aid, and through companies such as Circle K. Companies such as AT&T,

IDT, and aggregators such as InComm, BlackHawk Network, and CoinStar, Inc. currently offer multiple products across these same channels, including both domestic, international, and country specific cards. These other alternatives are sold at comparable and/or lower rates as Applicants' cards. Other alternatives for long-distance calling include pre-paid wireless plans and VoIP solutions.

5. Brief Description of the Dates and Methods of Notice to All Affected Customers (47 C.F.R. § 63.71 (b)(3)):

Given the nature of prepaid long distance calling cards, Applicants do not know the names or mailing addresses of cardholders. Therefore, Applicants cannot provide written notice to these cardholders. However, Applicants have taken measures to notify cardholders orally about the elimination of recharge capability and the cessation of sales of new cards. Starting February 17, 2012, when a cardholder uses his or her MCI Communications prepaid long distance calling card, the cardholder will hear the following message:

New cards will not be available for sale on or after April 17, 2012, and recharge requests will not be processed after that date. You will continue to be able to make calls using your existing balance. Visit <http://prepaid.verizon.com> for more information.

Starting February 17, 2012, when a cardholder uses his or her Telecom*USA prepaid long distance calling card, the cardholder will hear the following message:

New cards will not be available for sale on or after April 17, 2012, and recharge requests will not be processed after that date. You will continue to be able to make calls using your existing balance. Visit www.minutepass.com for more information.

These oral notices will remain up through October 17, 2012. As of February 17, 2012, Applicants will place the same notices on its websites at <http://prepaid.verizon.com> and <http://www.minutepass.com>.

As required by Section 63.71(a) of the Commission's rules, copies of this Application are being sent via first class U.S. Mail to the governor and public utilities commission for each impacted state and the District of Columbia, and also to the Special Assistant for Telecommunications to the Secretary of Defense.

6. Regulatory Classification of Carrier (47 C.F.R. § 63.71(b)(4)):

Applicants are considered non-dominant with respect to the services to be discontinued.

CONCLUSION

Applicants respectfully request that the Commission approve this Application.

Respectfully submitted,



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Michael E. Glover
Of Counsel

February 17, 2012

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of February, 2012, I served a copy of the foregoing Section 63.71 Application by U.S. Mail postage prepaid to the following on the attached list.

A handwritten signature in cursive script, appearing to read "Katharine R. Saunders", written in black ink over a horizontal line.

Katharine R. Saunders

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