TESTIMONY BEFORE THE INDUSTRY BUSINESS AND LABOR COMMITTEE BY VERIZON WIRELESS OCTOBER 26, 2007

Good morning. Chairman Berg, and the Industry Business and Labor Committee members, my name is David Armey and I am submitting this testimony and information on behalf of Verizon Wireless.

As of October, 2007 Verizon Wireless has expanded the national rollout of its high-speed wireless network to Bismarck, Fargo, Grand Forks and a number of other North Dakota communities along Interstate 29 and Interstate 94, which connect these cities.

With the wireless broadband network now available in North Dakota's most populated markets, Verizon Wireless customers in the area now enjoy two prime services:

- BroadbandAccess, the enhanced high-speed wireless service that equips Verizon
 Wireless' business customers with a truly untethered mobile office experience, enabling
 them to wirelessly access their calendars, the Internet, email and critical business
 information residing behind their companies' firewalls; and
- V CAST, a consumer-oriented multimedia service that gives customers access to the most comprehensive selection of downloadable music, high-quality videos and the coolest 3D games found anywhere.

BroadbandAccess

Based on Evolution-Data Optimized Revision A (EV-DO Rev. A) network technology, BroadbandAccess provides mobile workers with the ability to access their corporate information as if they were attached to this data via a high-speed wired connection but with the freedom of true mobility. Developed with a range of users in mind, the service enables large enterprises, small to medium-sized businesses and mobile professionals to conduct business anytime, anywhere in the BroadbandAccess coverage area via a secure, true high-speed data connection.

With BroadbandAccess, business customers, residents and visitors to these North Dakota communities can expect average download speeds of 600 kilobits per second (kbps) to 1.4 megabits per second and average upload speeds of 500 kbps to 800 kbps. That means they can

download a 1 megabyte email attachment—the equivalent of a small PowerPoint® presentation or a large PDF file—in about eight seconds and upload the same-sized file in less than 13 seconds.

BroadbandAccess also enables Verizon Wireless customers to download files approximately 10 times faster than customers of wireless service providers that use different broadly deployed network technologies. Furthermore, customers who travel outside the enhanced BroadbandAccess coverage area with an EV-DO device will switch seamlessly to the company's NationalAccess service.

"Our enhanced BroadbandAccess service gives our customers three key advantages in wireless communication—speed, mobility and security," Clark said. "With these advantages comes an increase in productivity and bottom-line business benefits."

Coverage -

Verizon Wireless' BroadbandAccess and V CAST coverage in North Dakota currently includes the following communities:

- In the Bismarck area, coverage includes Mandan and extends west of town along I-94 through Judson, New Salem and Glen Ullin to Hebron. Coverage also extends south along State Highway 6 to St. Anthony and north along U.S. Highway 83 through Baldwin to Wilton.
- Along the I-94 corridor, coverage east of Bismarck includes the communities of Menoken, Sterling, Steele, Crystal Springs, Jamestown, Valley City and West Fargo extending to Fargo.
- In the Fargo area, coverage extends east to Moorhead and Glyndon, Minn; south along I-29 to Hickson and north along I-29 to Grand Forks including the communities of Argusville, Hillsboro, Cummings and Thompson.
- In the Grand Forks area, coverage extends west of town to the Grand Forks Air Force Base and east along U.S. Highway 2 through East Grand Forks to Crookston and McIntosh, Minn.

The multi-million dollar expansion includes the installation of high-tech wireless hardware and software in wireless transmission sites throughout the region. Verizon Wireless has invested more than \$40 billion since it was formed—more than \$5 billion on

average every year—to increase the coverage and capacity of its national network and to add new services. More than \$105 million of this investment was spent in North Dakota from 2001 to 2006. Through September 15 of this year, \$23.3 million has been invested in North Dakota network improvements.

Verizon Wireless was the first national wireless provider to commercially launch a high-speed wireless broadband network in the United States. These communities in North Dakota are the latest market to be added to the coverage, which is available to more than 210 million people across the country.

Attached is a Verizon Wireless Fact Sheet. The details on the Fact Sheet show the capital expenditures in North Dakota by Verizon Wireless for the period of 2001 through 2006 which resulted in network investments in excess of \$105M.

Also, attached is a National Voice Coverage map showing America's Choice Home Airtime Rate and Coverage Area. In addition, attached is a recent News Release dated September 25, 2007 which announced the installation of a permanent cell phone tower by Verizon Wireless for Northwood, North Dakota.

Verizon Wireless wants to thank the Industry Business and Labor Committee for the opportunity to submit this testimony and information today and would be happy to participate in future meetings and work on the topic of wireless service in North Dakota.

Verizon Wireless Network Fact Sheet

North Dakota

2001:

Capital expenditures = \$8.8 million

2002:

Capital expenditures = \$13.7 million

2003:

Capital expenditures = \$21.2 million

- Activated 11 new sites
- Added capacity (handle more calls) to 30 existing sites
- Completed 3G-1x National Access service in Fargo/Grand Forks, Red River Valley and Bismarck

2004:

Capital expenditures - \$15.5 million

- Activated 18 new sites
- Completed 3G-1x National Access service in western North Dakota, all sites statewide

Invested \$11.4 million investment in 2003 and 2004 (included in annual totals) to upgrade the **Fargo Mobile Telephone Switching Office (MTSO)** to stay ahead of the growing demand for Verizon Wireless products and services in the state, and provide a high level of network reliability and redundancy.

2005:

Capital expenditures = \$25.6 million

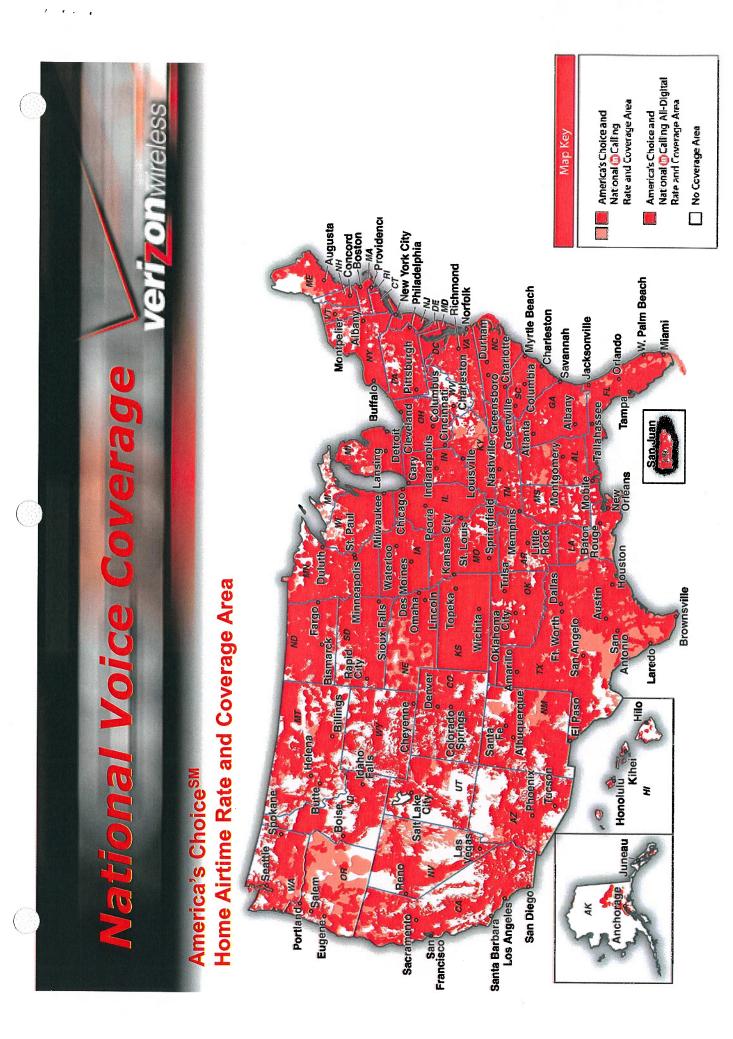
- Activated 19 new sites
- Added generators to 13 sites
- Added capacity (handle more calls) to 5 existing sites,
- 33 carrier upgrades to add capacity to sites

2006:

Capital expenditures = \$20.3 million

- Activated 20 new sites
- Added capacity (handle more calls) to 46 sites
- Added generators to 23 sites, now 98.4% of sites in North Dakota have permanent generators on-site.

NETWORK INVESTMENT IN NORTH DAKOTA 2001-2006 = \$105.1 million





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DORGAN ANNOUNCES VERIZON WIRELESS WILL BRING PERMANENT CELL PHONE TOWER TO NORTHWOOD

(WASHINGTON, D.C.) --- U.S. Senator Byron Dorgan (D-ND) announced Tuesday that Verizon Wireless has agreed to install a permanent cell phone tower in Northwood, North Dakota, ensuring the community has reliable service as it recovers from a devastating tornado.

After the tornado swept through Northwood last month, Verizon Wireless rushed to the area and erected a temporary cell phone tower. Dorgan and Congressman Earl Pomeroy (D-ND) have pushed Verizon to keep the tower in the city. Senator Dorgan has continued to work with them as they evaluated the possibility of installing a permanent tower.

Dorgan said Verizon Wireless officials informed him today they have agreed to install a permanent tower in 2008. A temporary tower will remain in place until the permanent tower is operable to ensure service is not interrupted as residents rebuild their lives.

"This decision by Verizon Wireless should give hope to the residents of Northwood trying to rebuild their homes and businesses after this devastating tornado," Dorgan said. "This town suffered extensive damage, but the residents have shown they are determined to rebuild a thriving community. I'm glad that Verizon Wireless has shown it is willing to invest in the future of Northwood as it gets back on its feet."

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