

ATTORNEYS AT LAW

June 17, 2010

HARRY N. MALONE, ESQ. T 603.695.8532 HMALONE@DEVINEMILLIMET.COM

## VIA HAND DELIVERY

Debra A. Howland Executive Director & Secretary New Hampshire Public Utilities Commission 21 S. Fruit Street, Suite 10 Concord, NH 03301

Re: Demand for Assurances from Global NAPs, Inc.

Dear Ms. Howland:

Enclosed for the Commission's information, and in association with DT 10-137, is a copy of a demand letter by Northern New England Telephone Operations LLC d/b/a FairPoint Communications-NNE for payment assurances from Global NAPS, Inc.

A compact disk containing the letter is also enclosed.

Very truly yours,

Harry N. Malone

HNM:kaa

**Enclosures** 



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## VIA OVERNIGHT MAIL

William J. Rooney, Jr.
Vice President & General Counsel
Global NAPs, Inc.
89 Access Road
Norwood, MA 02062
wrooney@gnaps.com

Re: Demand for Assurance of Payment

Dear Mr. Rooney:

Reference is made to the interconnection agreement effective as of January 17, 2003 between Global NAPs, Inc. ("GNAPs") and Verizon New England Inc. d/b/a Verizon New Hampshire, f/k/a New England Telephone and Telegraph Company, d/b/a Bell Atlantic-New Hampshire ("Verizon") for the State of New Hampshire (the "Interconnection Agreement"), and applicable tariffs of Northern New England Telephone Operations LLC d/b/a FairPoint Communications-NNE ("FairPoint"). As you know, FairPoint succeeded to the interest of Verizon under the Interconnection Agreement on March 31, 2008.

FairPoint has received no payments from GNAPs under the Interconnection Agreement or applicable tariffs since FairPoint commenced providing service thereunder. In response to FairPoint's request to terminate service to GNAPs for failure to pay switched access charges, the New Hampshire Public Utilities Commission ("PUC") has initiated a proceeding docketed as Docket DT 10-137. FairPoint is further aware that service to GNAPs under interconnection agreements has been terminated in Massachusetts, Maine and Vermont. Moreover, in a decision dated April 29, 2010, the United States Court of Appeals for the First Circuit has affirmed a judgment against GNAPs, its affiliates, its owner and its bookkeeper in the amount of \$57,716,714.

As a result of the foregoing, FairPoint has concluded that GNAPs (i) has failed to timely pay bills rendered to GNAPs by FairPoint and (ii) is unable to demonstrate that it is credit worthy. Therefore, FairPoint hereby demands assurance of payment pursuant to applicable provisions of Section 6.2 of the Interconnection Agreement and, as applicable,

William J. Rooney, Jr. June 16, 2010 Page 2

Section 4.1.6 of FairPoint's Tariff NH PUC 84, Section 4.1.6 of FairPoint's Tariff NH PUC 85, and Section 2.4.1 of FairPoint's Tariff F.C.C. No. 1. Such assurance of payment shall take the form of (i) a cash security deposit in U.S. dollars to be held by FairPoint or (ii) an unconditional, irrevocable standby letter of credit naming FairPoint as the beneficiary thereof issued by a United States banking institution with deposits insured by the Federal Deposit Insurance Corporation having unreserved capital and surplus in excess of \$100 million. The assurance of payment shall be in an amount not less than two (2) months' charges under the Interconnection Agreement and applicable tariffs, which are estimated at \$197,107 per month for a total required payment assurance of \$394,214. FairPoint demands that this assurance be provided by the close of business on July 2, 2010. Pursuant to Section 6.8 of the Interconnection Agreement and applicable tariffs, if the foregoing assurance is not provided on or before the close of business on July 2, 2010, FairPoint shall cease providing service to GNAPs and sever its interconnection with GNAPs effective July 17, 2010. FairPoint reserves the right to demand additional payment assurances if the period of non-payment continues.

A copy of this notice is being provided to the PUC.

Sincerely,

Jarry N Malone

HNM:kaa

cc:

Joel Davidow, Esq. Steven M. Gordon, Esq. DT 10-137 Service List