STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE:

February 13, 2013

AT (OFFICE):

NHPUC

FROM:

Kate Bailey KM

SUBJECT: Staff Response to FairPoint Motion for Rehearing and/or

Reconsideration in Docket No. DT 12-337

TO:

Commission

Executive Director

In response to FairPoint's Motion for Rehearing and or Reconsideration of Order No. 25,456 Staff states as follows:

Neither Section 251 nor 252 of the Communications Act of 1934, as amended, (Telecom Act) requires an incumbent local exchange carrier to produce or maintain a statement of generally available terms (SGAT). Section 251 requires incumbent local exchange carriers, like FairPoint, to offer certain unbundled network elements and to negotiate an interconnection agreement if a competitor is interested. Section 252 sets forth requirements for completing an interconnection agreement and state approval. Section 252 (f) allows a bell operating company (BOC) to prepare and file with a State commission a statement of the terms and conditions that such a company generally offers within that State to comply with the requirements of section 251. Section 252 (f) also sets forth requirements for state review in the event an SGAT is filed as well as authority to continue to review a statement that has been permitted to take effect.

The opportunity to file an SGAT is only relevant when a BOC is seeking to enter the interLATA long distance market. Section 271 requires a BOC to demonstrate it has opened its market before it is permitted to offer interLATA services. The Act provided two opportunities to make this demonstration. During a 271 proceeding requesting FCC authority to offer interLATA services, a BOC could demonstrate its market was open if it had entered into one or more binding agreements approved under section 252 (i.e., Interconnection Agreements) §271 (c) (1) (A) or if it "had a statement of the terms and conditions that the company generally offers to provide such access and interconnection approved by the State or permitted to take effect..." §271 (c) (1) (B). There are more than 50 Interconnection Agreements in effect and posted on the Commission's website. There is no dispute about whether FairPoint remains compliant with section 271 (c).

Section 271(c) (1) (B) allowed an RBOC to request FCC authority to offer interLATA services in the event no competitor sought an interconnection agreement within 10 months of the enactment of the 1996 Telecom Act. Verizon voluntarily filed its SGAT in August 1997 and it went into effect 60 days later pursuant to section 252 (f). The Commission subsequently investigated the rates and approved the SGAT in 2001.

Verizon sought FCC authority to provide interLATA services in 2002. As part of the FCC approval process the FCC was required to consult with the State Commission in order to verify compliance with §271 (c). During the state review process the Commission and Verizon negotiated certain conditions before the Commission concluded that Verizon had met the requirements of §271 (c). As a result, Verizon agreed it would "not contest and will comply with," certain conditions, by letter to the Commission dated June 5, 2002, in Docket No DT 01-151 (attached). Among other things Verizon agreed to the following:

1. Verizon NH will convert its Statement of Generally Available Terms (SGAT) to a tariff by year-end 2002 and incorporate the interconnection, UNE, and resale provisions of the SGAT into Tariff No. 84. While the significant reorganization and reformatting effort is underway, Verizon NH will treat the existing SGAT like a tariff, making it available to all CLECs without the need to enter a specific agreement. Verizon NH will promptly file modifications to its SGAT and tariff to reflect changes in the services and network elements required by the Act, as determined by the FCC or the courts. Verizon NH also will continue to negotiate interconnection agreements with requesting carriers, in accordance with the Act.

The SGAT is not required for any other purpose. Competitors could not purchase services from an SGAT. It was merely a statement of what was generally available if a competitor wished to negotiate an interconnection agreement. However, when Verizon converted this statement of what it generally offered, into a tariff, it became an obligation under state law and the SGAT ceased to exist. Accordingly, the Commission was not compelled to accept this filing, permit it to take effect and then initiate any further review it felt necessary, in accordance with federal law. Federal law is not applicable to this tariff.

In its motion, FairPoint claimed it hand delivered the proposed revisions to its tariff on November 16, 2012. Staff asked FairPoint for its receipt copy which would have been date stamped by the receptionist upon delivery. The date stamped receipt copy provided to Staff by FairPoint, indicates it was delivered at 4:19 p.m., on November 16, 2012, which was a Friday. The date stamp on the filing in docketbook indicates it was received on Monday, November 19, 2012. While a clerical error may have occurred given the late hour of the filing on a Friday, FairPoint had many opportunities to notify the commission of this error. On November 20, 2012, the Executive Director acknowledged receipt of FairPoint's filing, "received November 19, 2012." FairPoint did not object to the Executive Director's letter establishing the filing date. On December 18, 2012, the Commission extended the review of this filing by 30 days, again indicating the filing was submitted on November 19, 2012. FairPoint did not object to the extension of

time for review despite the fact the filing would have been in effect on November 17 if it were filed on November 16 and the Commission failed to act in 30 days as required by RSA 378:6, IV. In a docket such as this where review must meet certain statutory requirements based on a filing date, the Commission must rely on the date of the filing stamped on the letter in docketbook and officially noticed as the date of receipt. In the event the filing party identifies a potential clerical error it should immediately notify the Commission and all parties of the apparent discrepancy by responding to the Executive Director's letter establishing the received date of the filing. To do otherwise, would prejudice other parties who had no knowledge the date was anything other than that established in the docketbook.

FairPoint's motion points out Order No. 25,456 incorrectly summarized in the procedural history that "the result of the tariff change would be that FairPoint would no longer be required to offer as unbundled network elements (1) DS1 or DS3 loop service in any of these wire centers." Staff agrees with FairPoint that this is incorrect. The tariff filing did not propose to eliminate DS1 and DS3 Loops. Staff recommends the procedural history in the order be corrected by deleting this phrase.

Finally, FairPoint argues the party seeking to establish impairment has the burden of proof. Staff agrees with FairPoint that when a party seeks to add a network element to the list of those previously required, the party seeking to add the network element has the burden to show that "failure to provide access to such network elements would impair the ability of the telecommunications carrier seeking access to provide the services that it seeks to offer" as required in Section 251 (d) (2) (B). See Order No. 22,942 where Vitts, a CLEC requesting access to dark fiber before it was designated as a network element, had the burden to show it was impaired without access. However, that does not apply here. Impairment of the wire centers in question was previously established in docket DT 06-012. In the instant proceeding, FairPoint is seeking to reverse that determination and has the burden to show that access is no longer impaired by providing evidence of fiber base collocators as required by the TRRO.

OJ01-151



900 Elm Street, Suite 1926 Manchester, NH 03101-2008 Phone (603) 641-1660 Fax (603) 647-0648

J. Michael Hickey President

June 5, 2002

Thomas B. Getz, Chairman New Hampshire Public Utilities Commission 8 Old Suncook Rd. Concord, NH 03301-7319

Re: Verizon New Hampshire Section 271 Inquiry

Dear Mr. Chairman:

Verizon New Hampshire (Verizon NH) is responding further to the Commission's letters dated March 1 and April 10, 2002, which, among other things, set out the Commission's preliminary analysis concerning Verizon NH's compliance with the fourteen-point competitive checklist of Section 271(c) of the Telecommunications Act of 1996 (the Act). Verizon NH appreciates the continuing efforts of the Commission and Staff to arrive at a set of conditions that will allow Verizon NH to proceed with its § 271 application to the FCC, with the resulting benefits to New Hampshire consumers.

We understand that the Commission has requested that Verizon NH provide a summary of its current position vis a vis satisfying the conditions enumerated in the Commission's letter dated March 1, 2002. The paragraphs below set out the manner in which Verizon NH is prepared to address each condition. Verizon NH will not contest, and will comply with, these conditions, subject to the Commission's approval of these conditions without imposing further requirements beyond those identified below. We have no doubt that the Commission will find the conditions as set forth below meet the concerns raised. As a result, the Commission will be able to make a favorable recommendation to the FCC in connection with Verizon NH's Section 271 application.

1. Verizon NH will convert its Statement of Generally Available Terms (SGAT) to a tariff by year-end 2002 and incorporate the interconnection, UNE, and resale provisions of the SGAT into Tariff No. 84. While the significant reorganization and reformatting effort is underway,



Verizon NH will treat the existing SGAT like a tariff, making it available to all CLECs without the need to enter a specific agreement. Verizon NH will promptly file modifications to its SGAT and tariff to reflect changes in the services and network elements required by the Act, as determined by the FCC or the courts. Verizon NH also will continue to negotiate interconnection agreements with requesting carriers, in accordance with the Act.

2. Verizon NH will reduce the unbundled network element (UNE) zone 3 (rural) 2-wire analog loop rate to \$25 and the 4-wire analog loop rate to \$50. Verizon NH also will reduce switching and transport rates as set forth on Attachment 1. Verizon NH also will reduce UNE DS1 loop rates in all three density zones by 20%.

In addition, Verizon NH will revise its rates for UNE Daily Usage File (DUF) (referred to in the SGAT as UNE call usage detail) as follows:

DUF rate element	Current rate	Proposed rate
Record charge	\$.004144	\$.001197
Transmission charge	<u>\$.000118</u>	\$.000022
Total	\$.004262	\$.001219
Per tape/cartridge	\$20.12	\$14.36

Verizon NH will file revised SGAT pages with the above rate changes for immediate effect within two business days of receipt of the Commission's final letter of conditions.

Verizon NH understands the Commission retains the authority to direct Verizon NH to file new cost studies for UNEs in the future. Similarly, Verizon NH retains the right to file new cost studies and request that the Commission adopt different UNE rates in the future. In addition, Verizon NH retains the right to request that the Commission modify UNE rates as a result of applicable FCC or court decisions.

- 3. The Commission's recently established unbundled local switching charges, based on the modified Stipulation in DT 97-171, do not result in "double counting" for calls that both originate and terminate within a central office switch. A change in the manner of charging such calls, as the Commission suggested in its March 1 letter, would not permit Verizon NH to recover the total TELRIC-based costs for local switching.
- 4. Verizon NH will amend its SGAT to include the following provision from the Massachusetts tariff 17, Section 15.1.1B:

Requests for combinations of local loop and local switch port UNEs that are not ordinarily combined and have not previously been combined in the Telephone Company network will be made available to the extent technically feasible pursuant to the bona fide request process....

The network elements that are subject to the unbundling requirement may change from time to time, in accordance with applicable FCC or judicial decisions. Verizon NH reserves all rights to

request modifications to its SGAT or the tariff referred to in paragraph 1 above, such as seeking to cease providing or modifying new UNE-P combinations, as a result of a court or FCC decision that new combinations, or any individual UNE that the combination comprises, no longer are subject to the unbundling requirement.

5. In substitution for the Commission's suggestion that Verizon NH create a CLEC-only intrastate special access tariff for DS-1 and DS-3 services using UNE rates and SGAT terms and conditions (with a \$1.00 rate for the special access until it is converted to a UNE), Verizon NH will conduct a six month trial offering of tariffed ISDN BRI service, with unlimited circuit switched data usage, at a monthly per line rate of \$30 for residence and \$50 for business customers, which Verizon NH believes may be below cost. The business trial offering will be limited to customers that have no more than 3 exchange lines and will not be offered to more than 50 total lines in each exchange during the trial. These trial rates are in addition to the tariff rate for unlimited residence/business basic exchange service.

Verizon NH will work with Staff to select six rural exchanges in which to conduct the trial. Service will be provided subject to equipment availability in the relevant central offices. Within two months of the completion of the trial, Verizon NH will submit an economic analysis of the trial service. In the event the trial service is not offered on a permanent basis, Verizon NH will "grandfather" existing trial customers and continue to offer them the service for an additional 24 months beyond the end of the trial. The trial will be discontinued in any of the trial exchanges if DSL is subsequently offered by Verizon in that exchange. In such event, existing customers of the trial service will be grandfathered for a period of 24 months beyond the end of the trial.

To further enhance the possibility of advanced services provisioning in New Hampshire, Verizon NH will reallocate the dollars at risk under the NHPAP applicable to DSL services, similar to the reallocations specified by the Vermont Public Service Board in its favorable recommendation to the FCC regarding Verizon's Section 271 application in that state. Verizon NH will file revised PAP pages in compliance with the Commission's March 29, 2002, and May 24, 2002, orders and this letter within five business days of receipt of the Commission's final letter of conditions, for effect in accordance with the terms of the NHPAP.

- 6. Verizon NH will work with Staff to develop a critical-need customer category (e.g., police, fire and hospital) that identifies end-user customers whose continued telephone service is essential to health and safety, so as to prevent service disruptions during a transfer to another carrier and to reestablish service should an interruption occur.
- 7. Consistent with Commission statutory authority, Verizon NH will implement a rapidresponse process like that described in Part B of Appendix A to the Maine Commission's letter dated March 1, 2002, to address issues in dispute between Verizon NH and CLECs. The process will be tested for six months, and Verizon NH and Staff will report to the Commission proposed revisions, if any, based on actual experience.
- 8. Verizon NH will convert the approximately 120 interim number portability arrangements maintained by two CLECs to permanent number portability, subject to obtaining full cooperation

from the CLECs that have these arrangements with Verizon NH. Verizon NH understands that Staff will facilitate the conversion.

- 9. Verizon NH agrees to negotiate in good faith to attempt to reach a mutually acceptable resolution of the DC power dispute with Bay Ring Communications, currently pending in Docket DT 00-072. To the extent that Verizon NH and Bay Ring are unable to reach agreement despite good faith efforts, Verizon NH agrees to request that Staff mediate their dispute in a further attempt to amicably resolve the matter, subject to Verizon NH's continuing legal rights.
- 10. Verizon NH will require employees who provide service to CLECs to identify themselves upon request using either an employee identification number or first and last name.

We appreciate the efforts undertaken by Commission staff during these past weeks to resolve these matters. Please do not hesitate to call me, or have your staff contact Alan Cort or Victor Del Vecchio, if you have any questions or wish to discuss any matter further.

> Very truly yours, Michael Sickey

J. Michael Hickey



New Hampshire **Proposed Rate Changes**



Time of Day Distribution Day Evening Night 35% 40% 25% 35% 40% 25%

		Current		enchmark to New York	Reduction
Local Switching (=Meet Pol	nt C)			
Day	\$	0.002946	5	0.002425	-17,7%
Evening	\$	0.003887	S	0.003199	-17.7%
Night	S	0.001632	5	0.001343	-17.7%
Composite	\$	0.002994	\$	0.002484	-17.7%
End Office Trunk Port					
Day	\$	0.000488	s	0.000385	47 7W
Evening	Š	0.000803	Š	0.000561	-17.7% -17.7%
Night	Š	0.00000	Š	Q.00000 I	0.0%
Composite	Š	0.000485	Š	0.000399	-17.7%
•	•	0.000	•	0.00000	********
Tandem Switching		100			
Day	Ş	0.000895	\$	0.000737	-17.7%
Evening	\$	0.000941	S	0.000774	-17.7%
Night	\$	0.000831	\$	0.000684	-17.7%
Composite	\$	0.000897	5	0.000739	-17.7%
Tondom Touris Desa					
Tendem Trunk Port	_	0.00000		0.00000	
Day Evening	5	0.000720	\$	0.000593	-17.7%
Night	\$ \$	0.001236	\$	0.001017	-17.7%
Composite	2	0.000746	\$	0.000044	0.0%
Composite	•	0.000746	ð	0.000614	-17.7%
Common Transport					
Day	\$	0.000399	\$	0.000328	-17.7%
Evening	Š	0.000687	Š	0.000565	-17.7%
Night	\$	•	\$	•	0.0%
Composite	\$	0.000414	\$	0.000341	-17.7%
, m					
UNRCC (=Meet Point A & B)					
Day	\$	0.003414	5	0.002810	-17.7%
Evening	\$	0.004690	\$	0.003860	-17.7%
Night Composite	\$	0.001830	2	0.001341	-17.7%
Composite	2	0.003478	\$	0.002863	-17.7%
UCRCC					
Day	\$	0.003414	2	0.002810	-17.7%
Evening	Š	0.004690	s	0.002860	-17.7%
Night	Š	0.001630	Š	0.003341	-17.7%
Composite	5	0.003478	Š	0.002863	-17.7%
Unb. Local Comm. Trans.					
Day	8	0.000857	\$	0.000714	-17.7%
Evening	\$	0.001490	\$	0.001226	-17.7%
Night	\$	-	\$		0.0%
Composite	5	0.000899	\$	0.000740	-17.7%
Unb. Teli Comm. Trans.					
Day	5	0.001414	5	0.001164	-17.7%
Evening	\$	0.002310	Š	0.001164	-17.7% -17.7%
Night	5	0.002510	Š	0.001901	-17.7% -17.7%
Composite	Š	0.001460	Š	0.001202	-17.7% -17.7%
•	-		•	V-VV 12UE	-11.170
Tandem Transit Switching				3	
Day	\$	0.002335	\$	0.001922	-17.7%
Evening	\$	0.003413	5	0.002809	-17.7%
Night	\$	0.000831	\$	0.000684	-17.7%
Composite	5	0.002390	\$	0.001967	-17.7%

CHAIRMAN Thomas B. Getz

COMMISSIONERS Susan S. Gelger Nancy Brockway

EXECUTIVE DIRECTOR AND SECRETARY Debra A. Howland





PUBLIC UTILITIES COMMISSION 8 Old Suncook Road Concord, N.H. 03301-7319

June 14, 2002

TDD Access: Relay NH 1-800-735-2964

Tel. (603) 271-2431

FAX No. 271-3878

Website. www.puc.state.nh.us

J. Michael Hickey, President Verizon New England Inc. d/b/a Verizon New Hampshire 900 Elm Street – Suite 1927 Manchester, NH 03101

Re:

Application of Verizon New England Inc., d/b/a Verizon New Hampshire, for a Favorable Recommendation to Offer InterLATA Service Under 47 U.S.C. 271, DT 01-151

Dear Mr. Hickey:

By letter dated March 1, 2002, we notified you of our conclusions as to whether Verizon NH complies with the requirements of Section 271 of the Telecommunications Act of 1996 (TAct). That letter explained that we could conclude that Verizon NH's proposal met the 14 point checklist of Section 271 (c)(1)(A) and that the company's entry into the long distance market would be in the public interest if Verizon NH satisfied ten specified conditions. By letter dated March 15, 2002, Verizon NH indicated its agreement to meet six of the conditions. Verizon NH, however, considered compliance with Conditions 2, 3, 5, and 9 to be problematic.

Given that we found certain of Verizon's points reasonable, by letter of April 10, 2002, we directed Staff and the parties to this docket to discuss and develop clarifications, modifications or substitutions to the four conditions in a way to better serve the interests of the parties and the public. We directed Staff to report in writing the results of the discussions. According to the report filed by Staff on May 6, 2002, the parties considered a number of alternatives for addressing the concerns underlying the conditions but did not produce any solution that could be supported by both the CLECs and Verizon. In the meantime, the Joint Legislative Oversight Committee conducted three meetings that further investigated the resolution possibilities.

On June 5, 2002, Verizon submitted a letter summarizing its position in regard to the conditions we established in our March 1st Section 271 Opinion Letter and offered alternatives to conditions 2 and 5, the conditions on the UNE rates and broadband expansion. We now provide this second Section 271 Opinion Letter in light of the entire record, including post-hearing submissions. This Section 271 Opinion Letter retains the prior conditions to which

J. Michael Hickey, President June 14, 2002 Page 2

Verizon NH agreed, and modifies the remaining conditions as we deemed appropriate. Satisfaction of all the conditions will enable us to conclude that Verizon NH has demonstrated its §271 proposal meets the 14 point checklist and is in the public interest.

A. Conditions To Which Verizon Has Not Objected

Condition 1. To avoid confusion, Verizon will explicitly convert the existing SGAT into a CLEC tariff from which competitors may directly order anything contained in the SGAT, without the need to negotiate an interconnection agreement or amend an interconnection agreement. The tariff may contain a standard form for competitors to complete which would provide Verizon with the information it needs about the competitor in order to interconnect, such as the location of the point of interconnection or identification for billing purposes. The tariff must reflect the SGAT rates, terms and conditions ordered by this Commission in Docket DE 97-171, except to the extent further reductions or changes are required below as a condition of Verizon's receipt of a favorable recommendation on its Section 271 petition.

<u>Condition 4</u>. Verizon will revise the SGAT and CLEC tariff to clarify that UNE-P combinations ordinarily combined by Verizon to serve retail customers will be provided, as they are in Massachusetts, even if the particular loop and switch port affected by the CLEC order are not currently connected and have never been connected to each other before.

Condition 6. Verizon will create a critical-need customer category (e.g., police, fire, hospital) which identifies end-user customers whose continued telephone service is essential to public health and safety. If these customers choose to change local exchange carriers, Verizon must take extraordinary steps to prevent service interruptions during a transfer and to reestablish service should an interruption occur. LECs may, if they desire, notify Commission staff when one of these customers is about to cut over to a new provider, and staff will work with Verizon to insure extra precaution is taken.

<u>Condition 7</u>. Verizon will create a rapid response process similar to that developed in Maine to address issues in dispute between Verizon and CLECs in an expeditious manner. The process will be tested for six months and revised based on our experience.

<u>Condition 8</u>. Verizon will convert all interim number portability to permanent number portability.

<u>Condition 10</u>. Verizon will require employees who deal with CLECs to identify themselves using either an employee identification number or first and last name.

J. Michael Hickey, President June 14, 2002 Page 3

B. Remaining Conditions

Condition 2. The March 1st Opinion Letter directed Verizon NH to recalculate the UNE rates in the CLEC tariff using an overall cost of capital of 8.42%. The March 1st Opinion Letter also directed Verizon NH to reduce UNE rates by 6.43% to account for merger and process reengineering savings. As proposed by Verizon in its June 5, 2002 letter, Verizon NH will:

- reduce rates for zone 3 (rural) 2-wire analog loops from \$34.87 to \$25 and the zone 3 (rural) 4-wire analog loop rate to \$50.
- reduce switching and transport rates as set forth on Attachment 1.
- reduce UNE DS1 loop rates in all three density zones by 20%,
- reduce UNE Daily Usage Feed File (DUF) rates (referred to in the SGAT as call usage detail) in the following manner:

DUF rate element	current rate	reduced rate
Record charge	\$ 0.004144	\$ 0.001197
Transmission charge	<u>0.000118</u>	<u>0.000022</u>
TOTAL	0.004262	0.001219
Per tape/cartridge	\$ 20.12	\$ 14.36

Condition 3. This condition directed Verizon NH to revise the current SGAT and CLEC tariff to apply the unbundled local switching charge only once to a call that originates and terminates in the same switch. New information provided to Staff and the parties by Verizon NH indicates that no double charging occurs by permitting Verizon NH to bill for both originating and terminating portions of calls within the same switch. We will therefore accept Staff's recommendation that we remove this condition.

Condition 5. This condition, intended to promote broadband service in New Hampshire, would have allowed competitive provisioning despite Verizon NH's claims of "no facilities." Verizon NH was directed to create a CLEC-only intrastate special access tariff for DS-1 and DS-3, using UNE rates and SGAT terms and conditions. Verizon NH objected on several grounds, including, confiscation and violation of an FCC commingling prohibition. Verizon proposed an alternative means for satisfying the intent of this condition.

We are not persuaded that the original condition violates the FCC's commingling prohibition. Nevertheless, consistent with our underlying concern for the rural areas of the state that have few or no options for high-speed Internet service, we will accept Verizon NH's proposed alternative approach to satisfying the concerns underlying our original condition 5. We

J. Michael Hickey, President June 14, 2002 Page 4

direct Verizon to conduct, in at least six exchanges, a twelve month trial offering of tariffed ISDN BRI service with unlimited circuit switched data usage, at a monthly per line rate of \$30 for residential service and \$50 for business service. The business trial offering may be limited to customers that have no more than six exchange lines. The trial will be further limited to no more than 50 total lines in each exchange during the trial. The trial rates for ISDN BRI service is in addition to basic exchange service.

Our Staff will select exchanges in predominantly rural areas in which to conduct the trial. An economic analysis of the trial will be due from Verizon within two months of the conclusion of the trial and, if the trial is subsequently determined to be unsuccessful, we require Verizon to "grandfather" the existing trial customers' service and rates for an additional period. The additional period shall end 36 months from the beginning of the trial.

Condition 9. This condition directed Verizon NH to refund or recalculate disputed DC power bills that were rated using the intrastate SGAT rate that was in effect by operation of law prior to the Commission's final order on DC power (Order No. 23,915). Because there is a docket pending within which this matter can be resolved, we will accept Staff's recommendation that we remove this condition.

The record shows that Verizon NH has developed the tariffs, the Statement of Generally Available Terms, interconnection agreements, processes and procedures necessary for a competitive market in New Hampshire. At this time, we find that Verizon NH has taken steps to open the local exchange and exchange access markets in New Hampshire to competition in accordance with standards set forth in the TAct, including Section 271. We base our decision on the evidence presented during our review of this docket, consideration of our decisions in other dockets in which we have taken active steps to ensure effective and fair competition¹, and our expectation of Verizon NH's satisfaction of the six conditions to which Verizon agreed in its March 15th Letter and the modified conditions specified above.

Conditioned on satisfaction of the items specified above, we find that Verizon NH has met the 14 point checklist and that entry into the interLATA toll market is in the public interest. Accordingly, we will recommend that the FCC approve Verizon NH's Section 271 application to offer interstate long distance telephone service to customers in New Hampshire.

Sincerely,

Susan S. Gei

Commissioner

cc: Service List

¹ Order No. 23,940 in DT 01-006 and Order No. 23,948 in DT 01-206, inter alia.

Proposed Rate Changes





 Time of Day Distribution

 Day
 35%
 35%

 Evening
 40%
 40%

 Night
 25%
 25%

		Current	E	Senchmark to New York	Reduction
Local Switching (=Meet	Point (C1			
Day	\$	0.002946	s	0.002425	47 70
Evening	Š	0.003887	Š	0.002425	-17.7%
Night	S	0.001632	Š	0.001343	-17.7%
Composite	\$	0.002984	5	0.001343	-17.7% -17.7%
End Office Trunk Port					
Day	\$	A 000.460	_		
Evening	Š	0.000468	\$	0.000385	-17.7%
Night ·	Š	0.000803	3	0.000661	-17.7%
Compositio	š	0.000485	\$ \$	0.000399	0.0% -17.7%
Tandem Switching	_				
Evening	\$	0.000895	\$	0.000737	-17.7%
Night	\$	0.000941	\$	0.000774	-17.7%
Composite	5	0.000831	\$	0.000684	-17.7%
Composite	\$	0.000897	5	0.000739	-17.7%
Tandem Trunk Port				•	
Day	\$	0.000720	\$	0.000593	-17.7%
Evening	\$	0.001236	5	0.001017	-17.7%
Night	- 5	•	\$	•	0.0%
Composite	\$	0.000746	\$	0.000614	-17.7%
Common Transport					
Day	\$	0.000399	\$	0.000328	-17.7%
Evening	S	0.000687	2	0.000565	-17.7%
Night	\$	•	Š		0.0%
Composite	\$	0.000414	S	0.000341	-17.7%
UNRCC (=Meet Point A &	Bì				
Day	_, \$	0.003414	s	0.002810	45 50
Evening	Š		Š	0.003850	-17.7%
Night	Š		2	0.001341	-17.7%
Composite	\$	75	Š	0.002863	-17.7%
UCRCC			•	0.002003	-17.7%
Day	_	- 1			
Evening	Ş		\$	0.002810	-17.7%
Night	5		5	0.003860	-17.7%
Composite	5		5	0.001341	-17.7%
	\$	0.003478	5	0.002863	-17.7%
Unb. Local Comm. Trans. Day	_				
Evening	\$	100	5	0.000714	-17.7%
Night	8	0.001490	5	0.001225	-17.7%
Composite	8	- ;	5	•	0.0%
• • • • • • • • • • • • • • • • • • • •	\$	0.000899 1	5	0.000740	-17.7%
Unb. Tell Comm. Trans.					
Day	5	0.001414 \$:	0.001164	-17.7%
Evening	\$	0.002310 \$		0.001901	-17.7% -17.7%
Night	\$	0.000166 \$		0.000137	-17.7%
Composite	\$	0.001460 \$		0.001202	-17.7%
Tandem Transit Switching					
Day	\$	0.002335 \$		0.001922	45 ==-
Evening	Š	0.003413 \$		0.001922	-17.7%
Night	\$	0.000831 \$		0.000684	-17.7%
Composite	\$	0.002390 \$		0.001967	-17.7% -17.7%
				00 .00/	-11.170

J MICHAEL HICKEY VERIZON NEW HAMPSHIRE 900 ELM STREET SUITE 1927 MANCHESTER NH 03101-2008

THOMAS J DESISTO NANCY A JOY VERIZON 125 HIGH STREET ROOM 1140 BOSTON MA 02110

NANCY A CLAY SPRINT COMMUNICATIONS CO 240 N 3RD STREET HARRISBURG PA 17101-1502

MARY E BURGESS ESQ AT&T 32 AVENUE OF THE AMERICAS NEW YORK NY 10013

PATRICK C MCHUGH
DEVINE MILLIMET & BRANCH
111 AMHERST ST
PO BOX 719
MANCHESTER NH 03105

DOUGLAS DENNY-BROWN YVETTE BIGELOW RNK TELECOM 333 ELM STREET DEDHAM MA 02026

WILLIAM STAFFORD GRANITE STATE TELEPHONE PO BOX 87 WEARE NH 03281

ANDREW O ISAR
ASSOC OF COMMUNICATION ENT
SUITE 240
7901 SKANSIE AVE
GIG HARBOR WA 98335

JOHN LESLIE NH INTERNET SVC PROVIDERS PO BOX 341 LONDONDERRY NH 03053

JOSEPH G DONAHUE PRETI FLAHERTY BELIVEAU PACHIOS & HALEY LLC PO BOX 1058 AUGUSTA ME 04332-1058 GREGORY M KENNAN VERIZON 13TH FLOOR 185 FRANKLIN ST BOSTON MA 02110

KEVIN R PRENDERGAST PALMER & DODGE LLP 111 HUNTINGTON AVENUE BOSTON MA 02199-7613

SCOTT SAWYER CONVERSENT COMMUNICATIONS SUITE 301 222 RICHMOND STREET PROVIDENCE RI 02903

WILLIAM J ROONEY JR GLOBAL NAPS INC SUITE B 89 ACCESS ROAD NORWOOD MA 02062

FREDERICK J COOLBROTH DEVINE MILLIMET & BRANCH 49 NORTH MAIN STREET PO BOX 3610 CONCORD NH 03302-3610

JOHN LOZZI LIGHTSHIP TELECOM STE 120 1301 VIRGINIA DR FORT WASHINGTON PA 19034

RICHARD C FIPPHEN ESQ CYNTHIA CARNEY JOHNSON ESQ WORLDCOM 200 PARK AVENUE 6TH FLOOR NEW YORK NY 10166

PAUL HARTMAN
BEACON TELLECOMMUNICATIONS
ADVISORS INC
39435 W 167TH STREET
EDGERTON KS 66021

BENJAMIN D BROWN
US DEPARTMENT OF JUSTICE
ANTITRUST DIVISION - TTF
1401 H ST NW, SUITE 8000
WASHINGTON DC 20530

DONALD C ROWE VERIZON 1095 AVENUE OF THE AMERICAS NEW YORK NY 10036

JENNIFER A DUANE SPRINT SUITE 400 401 9TH STREET NW WASHINGTON DC 20004

PATRICIA A JACOBS AT&T 99 BEDFORD STREET BOSTON MA 02111

JOHN O POSTL GLOBAL NAPS INC SUITE B 89 ACCESS ROAD NORWOOD MA 02062

ERIC J BRANFMAN SWIDLER BERLIN SHEREFF FRIEDMAN LLP 3000 K STREET NW SUITE 300 WASHINGTON DC 20007-5116

BETH OSLER MERRIMACK COUNTY TELEPHONE PO BOX 337 CONTOOCOOK NH 03229

STACY PARKER AT&T BROADBAND 6 CAMPANELLI DRIVE ANDOVER MA 01810

BRIAN SUSNOCK
THE DESTEK GROUP
ONE INDIAN HEAD PLAZA
NASHUA NH 03060

BRIAN PAUL
REVOLUTION NETWORKS LLC
PO BOX 515
CLIFFORD COMMONS
UNITY ME 04988