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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

July 30, 2009 - 9:11 a.m.
Concord, New Hampshire DAY 2

RE: DT 07-011
VERIZON NEW ENGLAND, ET AL:
Transfer of Assets to FairPoint
Communications, Inc.
(Technical Session regarding
FairPoint's Stabilization Plan)

PRESENT FROM
PUC STAFF: Robert Hunt, Esq.
Kathryn Bailey, Director, Telecom Division
David Goyette, Telecom Division
Michael Ladam, Telecom Division
Robert Falcone, Liberty Consulting
Charles King, Liberty Consulting

OTHER
APPEARANCES: Reptg. FairPoint Communications:
Patrick C. McHugh, Esq. (Devine, Millimet...)
Frederick J. Coolbroth, Esq. (Devine...)
Michael Morrissey, Esq.

Reptg. One Communications:
Paula Foley, Esq.

Reptg. BayRing Communications:
Judy Brownell
Wendy Wilusz

COURT REPORTER: Steven E. Patnaude, LCR No. 52

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OTHER
APPEARANCES: (C o n t i n u e d)

Reptg. segTEL:
Kath Mullholand

Reptg. Otel Telekom:
Julia Chase
Alihan Ciftcioglu

Reptg. CWA:
Felicia Augevich

Reptg. Group of FairPoint Bondholders:
Jason Tanguay, Esq. (Rath, Young, Pignatelli)

Reptg. Residential Ratepayers:
Meredith Hatfield, Esq., Consumer Advocate
Rorie E. P. Hollenberg, Esq.
Kenneth E. Traum, Asst. Consumer Advocate
Office of Consumer Advocate

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1 P R O C E E D I N G S

2 MR. HUNT: We are continuing the
3 proceeding from Tuesday in 07-011. It's apparent to me
4 that the same witnesses from FairPoint are here, and I'll
5 just state that you should be aware that you continue to
6 be under oath. What we want to do today is allow Attorney
7 McHugh to provide some initial information, and then we're
8 going to move directly to questions to Mr. Murtha, because
9 Mr. Murtha needs to leave at 1:00 today. And, if I
10 understand the discussion correctly, we're going to -- the
11 questioning will be in the format that we used on Tuesday
12 during Mr. Murtha's testimony this morning. We're going
13 to try, if we can, to allow all of Staffs questions, all
14 of OCA's questions, and all of other parties' questions to
15 Mr. Murtha to occur during that timeframe in that format,
16 and possibly some other format, but just to make sure that
17 those questions get asked and everyone's satisfied with
18 that. And, then, we'll move back to the originally
19 summarized format in the original, I think it's the
20 July 24th secretarial letter.

21 So, yes. We'll start actually with
22 appearances, as we did yesterday, of everybody in the
23 room. But we'll start with myself. I'm Robert Hunt,
24 Staff attorney for the PUC.

1 MS. BAILEY: Kate Bailey, Director of
2 Telecom for the PUC.

3 MR. FALCONE: Bob Falcone, Liberty
4 Consulting.

5 MR. KING: Chuck King, Liberty
6 Consulting.

7 MS. HATFIELD: Meredith Hatfield, Office
8 of Consumer Advocate. And, I will be joined by Rorie
9 Hollenberg.

10 MR. MORRISSEY: Michael Morrissey,
11 FairPoint Communications.

12 MR. COOLBROTH: Fred Coolbroth, from
13 Devine, Millimet, for FairPoint Communications.

14 MR. MCHUGH: Patrick McHugh, from
15 Devine, Millimet, for FairPoint Communications.

16 WITNESS NIXON: Peter Nixon, President,
17 FairPoint Communications.

18 WITNESS ALLEN: Jeff Allen, Executive
19 Vice President - Northern New England, for FairPoint
20 Communications.

21 WITNESS LAMPHERE: Bryan Lamphere,
22 Implementation Manager, FairPoint Communications.

23 WITNESS MURTHA: Rich Murtha, Vice
24 President - Business and Wholesale Customer Care,

{DT 07-011} [Technical session Day 2] {07-30-09}

1 FairPoint Communications.

2 WITNESS HAGA: Mike Haga, Vice President
3 of IT for FairPoint Communications.

4 MR. CIFTCIOGLU: Alihan Ciftcioglu, Otel
5 Telekom.

6 MS. CHASE: Julia Chase, Otel Telekom.

7 MS. FOLEY: Paula Foley, One
8 Communications.

9 MS. WILUSZ: Wendy Wilusz, BayRing
10 Communications.

11 MS. BROWNELL: Judy Brownell, BayRing
12 Communications.

13 MS. MULLHOLAND: Kath Mullholand,
14 segTEL.

15 MR. GOYETTE: David Goyette, Staff, PUC.

16 MR. LADAM: Michael Ladam, PUC Staff.

17 MS. AUGEVICH: Felicia Augevich, CWA.

18 MR. TANGUAY: Jay Tanguay, Rath, Young
19 Pignatelli, FairPoint Bondholders.

20 MR. SHEA: Kevin Shea, FairPoint
21 Communications.

22 MR. BERGERON: David Bergeron, FairPoint
23 Communications.

24 MR. BLOCK: Pat Block, Director of

{DT 07-011} [Technical session Day 2] {07-30-09}

[WITNESS PANEL: Nixon|Allen|LampHERE|Murtha|Haga]

1 Wholesale Billing, FairPoint Communications.

2 MR. MCHUGH: I think that's it.

3 MR. HUNT: Go ahead.

4 MR. MCHUGH: Just as a follow-up to the
5 session of Tuesday, July 28, I'd like to ask Mr. Nixon a
6 question or two.

7 PETER NIXON, Previously sworn

8 JEFFREY ALLEN, Previously sworn

9 BRYAN LAMPHERE, Previously sworn

10 RICHARD MURTHA, Previously sworn

11 MICHAEL HAGA, Previously sworn

12 EXAMINATION FOLLOW-UP TO THE JULY 28 TECHNICAL SESSION

13 BY MR. MCHUGH:

14 Q. Mr. Nixon, do you recall being asked to provide updated
15 information with respect to the Treasury group and how
16 billing payments are applied to bills?

17 A. (Nixon) I do.

18 Q. And, did you get the updated information, sir?

19 A. (Nixon) I did.

20 Q. Please update the group.

21 A. (Nixon) Thank you. Let me provide a summary of the
22 process that is utilized to process and apply the
23 payments. For our purposes, we have two distinct lock
24 boxes. Each lock box corresponds to a particular

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 billing system. Both lock boxes are located in Maine.
2 And, I'll refer to them as the "Kenan", K-e-n-a-n, for
3 processing payments for retail and resale payments.
4 And, also, the other one is "CDG", Charlie David
5 Gregory, for processing of the -- what I refer to as
6 the "access" bills and payments.

7 The process then that is used, and we
8 did this, as I went more further -- went further into
9 the issues that we had following the meeting the other
10 day, we had been told that there was one instance that
11 I was previously aware of where a payment was applied
12 to the incorrect party. It turned out there were four.
13 There are four instances where a payment that was
14 destined for -- it should have been applied against the
15 invoice of a party, was applied to a different one.
16 Let me go in for several minutes and go through what
17 happened, why it happened, and what's been done since
18 to mitigate.

19 As I go back to the two different types
20 of lock boxes, the one I referred to as "Kenan",
21 primarily, again, for the retail billing and for
22 resale, roughly 99 percent of the remittances that come
23 in are processed directly through the system and do not
24 require any sort of intervention by a person, as long

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 as there is, at that level, is sufficient remittance
2 information that allows the system to process that.

3 When we get into the other lock box, and
4 the payment remittance process, CDG, because of the
5 complexity and the size and volume, they require
6 100 percent of that, of those payments require somebody
7 to actually touch and apply those payments. During the
8 period from March through the middle of May, because of
9 issues of either insufficient remittance information
10 being provided, human error, or the construct of the
11 query database that was being used to assist in
12 applying those payments, there were issues and there
13 were missed payments, misapplication of payments
14 against those accounts that I mentioned, and also
15 several cases where we did not apply them within the --
16 within the correct company, but to the wrong -- what we
17 call the wrong "BAN". Again, some of that was driven
18 by either a lack of remittance information or, again,
19 database or human error.

20 Since mid May, and we have been working,
21 a couple things have happened since then. Number one,
22 the volume has lessened dramatically, or the orders
23 that come in that require us to handle on a manual
24 basis, in the example of the CDG lock box, that volume

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 has dropped by 75 percent. Only because, if you
2 remember where we were in early March and April, as we
3 were sending out a lot of bills in a short amount of
4 time, then good news is we got a lot of payments in a
5 short amount of time, but that did cause a spike in
6 just the volume of bills and remittances that had to be
7 handled and processed. That volume has come back down
8 to a normalized level, and that represents about a
9 75 percent drop.

10 Number two, we've made changes to the
11 database and the query processes used in the database
12 to allow us to be much more accurate in how we handle,
13 process and apply the payments.

14 And, number three, we're going to be
15 implementing some organizational changes that will
16 allow us to have our teams more closely aligned with
17 the other supporting teams. And, the example I'll give
18 you is, in the case of the CDG lock box, the person
19 today that handles the remittances is located in
20 Mobile, Alabama, but the collections group is located
21 in Portland, Maine. By October 1st, the position will
22 be opened up in Portland, Maine, and the person that
23 handles the bills at that volume and the team that
24 works on those will now be collocated with the

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 counterparts that handle the collections. So, it will
2 be -- it will prove the communication between the team
3 that actually processes the payments and applies the
4 payments and those then that are responsible for the
5 actual collection.

6 As it relates to the other lock box, the
7 Kenan lock box, that team that is responsible for the
8 collections is in Mobile, Alabama. And, the team
9 that's responsible, that supports the payment
10 applications, is also in Mobile, Alabama. That will
11 stay as is, where it is, but we're making the other
12 change in the CDG, again, it's more complex, it is
13 100 percent touch. And, therefore, we feel it's
14 incumbent upon us to get them closer to the other
15 support groups.

16 I indicated we have made changes to the
17 database. A "for instance" that we're having initial
18 issues with was the simple issue of transposing a zero
19 versus an "0", as you can think of when somebody is
20 doing manual work and have the risk of transposition.
21 And, the way we've structured the database and the
22 query process allows us to have that search for the
23 exact BAN and the exact payment. So, we have mitigated
24 those payment issues.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 Based on what I was informed, and
2 anxious to hear if there is feedback to the contrary,
3 that those payments that were misapplied for the four
4 companies, in the four instances, and those that have
5 been applied -- misapplied within the company, but to
6 the wrong BAN, have now been corrected. And, there is
7 some -- there is some indication that they will be in
8 the -- by the time the companies see them, it will be
9 in the August invoice, because some of these, depending
10 upon when the bill cycle took place, it would occur and
11 it would not be reflected until August.

12 To our knowledge, we have worked with
13 the -- to my knowledge, we have worked with individual
14 CLECs that have had the issue. And, if there are
15 issues that I'm not aware of, we're not aware of, I'd
16 be happy to make sure we get those parties in touch
17 with the right people. But what we have put in place
18 is a much more rigorous process to talk to and work
19 with the individual companies.

20 I think that was -- I'd take some
21 questions, if you'd like, but I believe that was
22 responsive to the specific questions that were asked.

23 MS. BAILEY: Thank you.

24 BY MS. BAILEY:

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[WITNESS PANEL: Nixon|Allen|LampHERE|Murtha|Haga]

1 Q. First, I want to clear up something I didn't understand
2 that you said. You said that there was a team in
3 Maine, the lock box is in Maine, and there is a team in
4 Maine that is responsible for processing payments?

5 A. (Nixon) Collections. The Collections team.

6 Q. The Collections team is in Maine?

7 A. (Nixon) Right.

8 Q. And, those are the people that follow up with customers
9 who don't pay their bills on time?

10 A. (Nixon) Yes, ma'am.

11 Q. And, the team responsible for the payments is in
12 Alabama right now?

13 A. (Nixon) The payment applications, those that receive
14 the remittance information out of the lock box and
15 apply the payments are in Mobile, Alabama.

16 Q. But the lock box is in Maine?

17 A. (Nixon) It is.

18 Q. So, you pick the stuff up in Maine and ship it to
19 Alabama?

20 A. (Nixon) It's -- Some of it's electronically, but the
21 process allows us to work on a timely basis.

22 Q. Okay. So, most of them are electronic?

23 A. (Nixon) Subject to check.

24 Q. Okay. Could you tell me or could somebody tell me

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 about the process that occurs when a customer has
2 identified a misapplied payment or is missing a payment
3 that they know they made, and the check has been
4 cashied, and they call FairPoint to complain, and they
5 can't get an answer? Why is that?

6 A. (Nixon) If we're talking about a -- is it, if I might,
7 are you -- is it retail, is it wholesale or --

8 Q. Well, let's start with wholesale.

9 A. (Nixon) Okay. They would call into the Collections
10 group. And, again, if they're -- I'm not aware of a
11 chronic or systemic issue that says that it's an
12 abundance of time that there's a lot of those issues
13 today. There were, and there were a significant --
14 well, I've got to be careful what I say -- there were
15 many more issues with that type of incident in the
16 March, April, and early May timeframe. I'm not aware
17 that that's a large issue today.

18 MS. BAILEY: Perhaps the CLECs want to
19 follow up.

20 MR. CIFTCIOGLU: Can I follow up on
21 that?

22 MS. BAILEY: Yes. Could you spell your
23 --

24 MR. CIFTCIOGLU: Sure.

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 MS. BAILEY: You need to use the
2 microphone.

3 MR. CIFTCIOGLU: Sure.

4 MS. BAILEY: And spell your name for the
5 reporter please.

6 MR. CIFTCIOGLU: I am Alihan Ciftcioglu.
7 I'm in charge of the Finance Department in Otel Telekom
8 and G4 Communications.

9 BY MR. CIFTCIOGLU:

10 Q. Just to follow up on Mr. Nixon's comments, besides
11 those four payments that are applied to different
12 companies, even within the company, our payments are
13 being misapplied. And, some of those payments are even
14 being lost. And, we have to follow up. We have to
15 call into FairPoint to explain that "there was a check
16 sent out, it was cashed in, and where is this payment?"

17 MS. BAILEY: And, who do you call?

18 MR. CIFTCIOGLU: We probably call, I
19 mean, we call in the wholesale group --

20 MS. BAILEY: Okay.

21 MR. CIFTCIOGLU: -- usually for the
22 billing.

23 MS. BAILEY: And, what happens?

24 MR. CIFTCIOGLU: They look into it, and

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 they find the payment and they apply it. They correct the
2 mistake. They work with us. However, those kind of
3 mistakes happen.

4 MS. BAILEY: Are they still happening?

5 MR. CIFTCIOGLU: Yes.

6 WITNESS NIXON: And, did they happen
7 under Verizon?

8 MR. CIFTCIOGLU: Did it happen under
9 Verizon? Occasionally, yes.

10 MS. BAILEY: When was the last time that
11 you were aware that it happened?

12 MR. CIFTCIOGLU: Within the last 30
13 days.

14 MS. BAILEY: Okay. Does Mr. Murtha have
15 something to add?

16 BY THE WITNESS:

17 A. (Murtha) On these payments that we receive, if, for
18 instance, if there's a, as we talked about the other
19 day, if there's no invoice on it, then the team that is
20 looking at it and they go back and they post the
21 payment against the oldest invoice on the customer's
22 account. We do get a number of calls from CLECs and
23 other companies that say "I wanted this against this
24 account. You posted it to this account." And, the

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 team will then work with them and adjust the bills, so
2 that the payment is applied to the specific BAN that
3 the customer wanted. We do, as was stated, receive
4 phone calls that say "you misapplied my payment" or "I
5 show that I gave you a payment", and they provide the
6 check number, we do the research, we get a copy of the
7 check, we locate the information within the billing
8 team or the collections team, and those payments are
9 taken care of. They're able to work on this on a daily
10 basis with any of the customers, but this is not a item
11 that we see continuing or happening on a very frequent
12 basis now. We did have some issues, as Mr. Nixon said
13 earlier, but that is not the issue that we see today.
14 But we have worked with a number of wholesale customers
15 to clean that up.

16 A. (Nixon) But there was, if I might, there was another
17 question that was asked the other day with regard to
18 ACH payments.

19 MS. BAILEY: Well, --

20 WITNESS NIXON: Do you want to finish
21 this first?

22 MS. BAILEY: Yes, maybe.

23 WITNESS NIXON: Okay. It might be
24 related, so --

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 MS. BAILEY: Oh. Okay. Do you want to
2 hear about the ACH payments first?

3 MS. BROWNELL: Sure.

4 WITNESS NIXON: Okay.

5 BY THE WITNESS:

6 A. (Nixon) So, as the ACH payments come in, they come in
7 with either remittance advice that's attached to that
8 so we know where and how to apply the payment; we get a
9 follow-up e-mail from the customer that tells us where
10 and how to apply the payment; or, failing that, we
11 reach out and call the customer and ask them how they
12 would like to apply the payment. When we have all the
13 information necessary to apply the payment, it takes 48
14 hours to apply the payment. Were there issues in the
15 past? Absolutely, there were. Again, I'm told that
16 today it takes 48 hours, once we have the appropriate
17 and adequate information and we've reached out to the
18 customer to get it to apply that payment. There were
19 cases that did go as was asked two days ago for a
20 month. That was exact, that was correct at that time.

21 BY MS. BAILEY:

22 Q. Is there information that's supposed to be provided on
23 the information that you receive from the customer when
24 you get a payment that should tell you where to post

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 it?

2 A. (Nixon) With remittance advice that we ask to receive,
3 if we receive that information, it greatly facilitates
4 timely and accurate posting of payments, yes.

5 MS. BROWNELL: Judy Brownell, BayRing.

6 BY MS. BROWNELL:

7 Q. We still haven't seen our payments posted. Some of
8 those bills are -- have been received in July and those
9 payments were not posted. We have been working on this
10 with the group, with actually Gwen Hammond's group
11 since April. And, now we have been assigned another
12 individual, and he was supposed to have had an updated
13 aging report by Tuesday, and we haven't seen that
14 either. So, --

15 A. (Nixon) Yes. I'm told that we've been working with
16 your organization the last 45 days. That we have
17 acknowledged that we've agreed, we've made the changes,
18 you'll see them in your August bill. And, the only
19 remaining open item for you is the aging report. That
20 is true -- that is exactly right. And, we'll be
21 getting that to you, I don't have the date, but,
22 according to the team I talked to, they do acknowledge
23 they owe you the aging report.

24 Q. Okay. They do?

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

- 1 A. (Nixon) Yes, ma'am.
- 2 Q. I haven't heard anything from Tom Naulty --
- 3 A. (Nixon) I spoke with him this morning.
- 4 Q. -- since I called him for an update last week. And, he
- 5 said he would get it back to me by Tuesday of this
- 6 week. And that, up until the meeting on Tuesday, I
- 7 hadn't heard a thing. And, I knew nothing of, you
- 8 know, what was reported here on Tuesday. There's been
- 9 no back and forth.
- 10 A. (Nixon) Okay. I spoke with him this morning.
- 11 Q. Okay.
- 12 A. (Nixon) He told me that he does owe you the aging
- 13 report.
- 14 Q. Uh-huh.
- 15 A. (Nixon) And, I'll follow up to make sure you get it.
- 16 Q. Okay.
- 17 A. (Nixon) And, I'll get back to you. Make sure I get
- 18 your telephone number, so I --
- 19 Q. I guess I think I need to just say that these issues
- 20 are not being handled in a timely fashion. It takes
- 21 several contacts, and it wasn't until like this week
- 22 that I knew what was going on. So, you can contact,
- 23 but it just doesn't happen fast enough. Like I said,
- 24 we've been gone since, well, the first of May, I think

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 we started the conversation here at the Commission.

2 And, we're still not seeing the payments. And, we do

3 have one account that there's misapplied payments as

4 well, but --

5 A. (Nixon) And, let me work with you directly, and,

6 according to Tom, you will see that in your August

7 invoice and those payments properly applied.

8 Q. Okay.

9 A. (Nixon) And, if you like, we can set up a three-way

10 call, and I'll be on it with you.

11 MS. BROWNELL: Okay. Thank you.

12 MR. GOYETTE: This is David Goyette,

13 from Staff.

14 BY MR. GOYETTE:

15 Q. I just have a few different questions regarding your

16 description. You said there's roughly 99 percent of

17 the payments are administered through the Kenan system

18 and those are handled automatically. There's no

19 touching of the bills in that system. What is the

20 99 percent based on? Is that based on the dollar

21 amount or the number of bills?

22 A. (Nixon) Number of bills.

23 Q. Okay.

24 A. (Nixon) Again, so, the process we use, and so let me

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 amplify a little bit, the lock box provider that we
2 utilize provides us -- we've given them the ability to
3 provide us what I'll call a "Tier 1 support" for any of
4 the remittances that come to them and require a manual
5 touch. And, then, our team that we have today in
6 Mobile, Alabama, are the ones that I'd call "Tier 2".
7 But, again, the 99 percent is, I believe, is subject --
8 is on the number of bills.

9 Q. Okay. Not sure if it's the number of bills or --

10 A. (Nixon) I can check.

11 Q. Okay.

12 A. (Nixon) I believe it is.

13 Q. Okay. I'm interested to know.

14 MR. MCHUGH: David, I'm sorry. Did you
15 say "99 percent of all the bills are from Kenan"?

16 WITNESS NIXON: No. The question was,
17 "in that lock box, was 99 percent relating to dollars or
18 number of bills?"

19 MR. MCHUGH: Number of bills generated
20 by Kenan?

21 BY MR. GOYETTE:

22 Q. Earlier, Mr. Nixon, you had said "99 percent of the
23 bills are handled through the Kenan system." And, I
24 was --

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1 MR. MCHUGH: No, he didn't say that.

2 WITNESS NIXON: No.

3 MR. MCHUGH: He did not say.

4 MR. GOYETTE: Okay.

5 WITNESS NIXON: No. I said, of the
6 bills that go through that lock box, --

7 MR. GOYETTE: Okay.

8 WITNESS NIXON: -- they're handled
9 automatically because there is sufficient and adequate
10 remittance information provided they can be processed
11 without manual intervention.

12 MR. GOYETTE: I see. Okay.

13 BY MR. GOYETTE:

14 Q. And, another question I have is regarding this
15 application within a wrong BAN, I'm interested to get a
16 more thorough understanding of what "BAN" means. But
17 my question is, of those that get misapplied, are those
18 handled manually or are those through the automated
19 system and it's discovered after the fact?

20 A. (Nixon) I would tell you that the ones I'm aware of
21 would be handled manually. And, it's based upon
22 remittance -- primarily, today, based upon remittance
23 information, as Mr. Murtha indicated, that, if
24 remittance information is not provided sufficient that

[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 we determine which one to apply it to, we will apply it
2 to I believe it's the oldest past invoice due.

3 A. (Murtha) Oldest invoice.

4 A. (Nixon) Again, and we look to the customer to call us,
5 if, you know, if we have applied it incorrectly to call
6 us. Now, it has improved. Is it perfect? Is it
7 running exactly the way we'd like it? As you've
8 indicated, is still having some challenges. And, it's
9 -- I'd say it's vastly improved over what it was in
10 March, April, and early May, but not where we'd like it
11 to be. I would not describe it, for instance, Judy, as
12 being at pre-cutover levels. But I would describe it
13 as being vastly improved over where it was in the
14 March, April, and even up to mid May. Would you agree?

15 MS. BROWNELL: I don't know, because I
16 haven't seen the results of that yet.

17 WITNESS NIXON: All right. Yes. "BAN"
18 is "Billing Account Number". I'm sorry, we throw a lot of
19 acronyms around here.

20 MR. GOYETTE: Okay.

21 MS. FOLEY: Paula Foley, One
22 Communications.

23 BY MS. FOLEY:

24 Q. How many open wholesale disputes are there?

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1 A. (Nixon) I believe that was an oral data request that
2 was made, and we are collecting that information. I'm
3 not sure that we have it today. That was a request
4 made on Tuesday.

5 MR. MCHUGH: We do not have that.

6 BY MS. FOLEY:

7 Q. Do you know how many billing disputes were open at the
8 time that you purchased the assets from Verizon?

9 A. (Nixon) That was also part of that data request that we
10 have that we are collecting the information.

11 MS. FOLEY: Thank you.

12 WITNESS NIXON: Certainly.

13 MR. CIFTCIOGLU: Are you also requiring
14 the data for the retail side as well or just wholesale,
15 for the disputes portion, same question?

16 MR. MCHUGH: Wholesale.

17 MR. CIFTCIOGLU: Just wholesale?

18 MR. MCHUGH: Yes.

19 MR. CIFTCIOGLU: I am also interested to
20 find out retail as well, because we do have some retail
21 disputes going back months.

22 MR. MCHUGH: Oh, for resale?

23 MR. CIFTCIOGLU: For the retail portion

24 of the FairPoint, yes.

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1 WITNESS NIXON: And, have you called
2 into the Call Center?

3 MR. CIFTCIOGLU: Yes.

4 WITNESS NIXON: Okay.

5 MR. CIFTCIOGLU: I'll get into it later
6 on with a little more detail.

7 MR. HUNT: Just procedurally, for those
8 who weren't here on Tuesday, if you could, it's a lot
9 easier if you could just indicate by raising your hand if
10 you have a question, because other people have questions,
11 and we need to kind of keep some kind of order.

12 MS. MULLHOLAND: Kath Mullholand, for
13 segTEL.

14 BY MS. MULLHOLAND:

15 Q. We've had instances where we have sent in checks that
16 were not applied to a BAN, have called and asked
17 Treasury to apply it to the BAN, and were told that
18 they didn't have the authority to apply a check to the
19 BAN that we were requesting.

20 A. (Nixon) And, was it yours?

21 Q. Yes. Both the check and the BAN were ours, and for the
22 same company.

23 A. (Nixon) All right. Okay. You've answered my next

24 question. And, did you ask to speak to a supervisor?

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1 Q. Yes. They said that the BAN that we were trying to
2 apply it to was not a valid BAN, even though we
3 received the invoice and that was the remittance slip
4 that we returned.

5 A. (Nixon) There's probably a lot of unique items, Kath.
6 I'd be happy to take that and search it with you. If
7 it's valid and if it's yours, and you own and receive
8 the send and receive, I don't understand why that would
9 be a problem.

10 Q. Right.

11 A. (Nixon) There may be, I don't know.

12 Q. These are just, I think just to kind of clarify, that
13 there are number of different issues.

14 A. (Nixon) There are still idiosyncrasies. My observation
15 would be they seem to be unique to specific CLECs in
16 this case, as opposed to large systemic issues. I'd be
17 happy to make sure we get you with the right person, if
18 that's your remaining item.

19 Q. Thank you.

20 A. (Nixon) My reaction would be, I understand your
21 concern, that I can't follow the logic there either,
22 but there may be more to it than I know.

23 MS. MULLHOLAND: Thanks.

24 MR. HUNT: Okay. Onto other wholesale
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1 issues, since Mr. Murtha is only here until 1:00.

2 RE: OTHER WHOLESALE ISSUES

3 BY MR. HUNT:

4 Q. Based on the answers -- excuse me, based on the answers
5 to questions asked on Tuesday, it's apparent that there
6 is not a single manager who is exclusively in charge of
7 wholesale services. Given the extent of the problems
8 being experienced by the CLECs and the unique nature of
9 the wholesale business, does FairPoint have any plans
10 to appoint a senior manager of its wholesale business
11 without any responsibility for its retail business?

12 A. (Allen) Yes. I would not agree with the initial
13 premise that there's not a specific manager, senior
14 manager responsible for wholesale.

15 Q. Who is that?

16 A. (Allen) There are two individuals that are directly
17 responsible for that. One is Gwen Hammond, whose name
18 has been mentioned. The other is John Berard. And,
19 they have different particular roles, both dedicated to
20 wholesale, and are responsible for different aspects of
21 providing service to the CLECs.

22 BY MS. BAILEY:

23 Q. On the confidential organizational chart that you

24 provided yesterday, were they on the top of the page on
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1 any of those pages?

2 A. (Allen) I don't know what we provided yesterday on the
3 organizational charts. When you say "the top of the
4 list"?

5 Q. Well, there were several pages, and they drill down.
6 So, you know, you were on the top of the page, and the
7 people that report to you were under you, and then each
8 of those people had a page where they were on the top
9 and the people that reported to them were underneath.
10 So, are Gwen Hammond and John Berard on the top of one
11 of those pages?

12 A. (Allen) Again, I'm not familiar with the page itself.
13 But, specifically, from an organizational perspective,
14 they report to Rich Murtha, and Mr. Murtha has
15 responsibility for the wholesale organization, as well
16 as the business organization, from a customer service
17 perspective.

18 Q. But he doesn't have responsibility for wholesale sales.
19 So, the point is that nobody has -- there is not an
20 independent silo for wholesale services. Mr. Murtha
21 has responsibility for retail and wholesale, and then
22 he has people underneath him that are responsible for
23 wholesale. And, Mr. Lippold has responsibility for

24 wholesale and large business sales. Is that correct?

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1 A. (Allen) That's correct.

2 Q. Okay. So, there is -- and, would you agree that
3 Mr. Murtha and Mr. Lippold are senior executives?

4 A. (Allen) I would agree with that, yes.

5 Q. And, are Ms. Hammond and Mr. Berard senior executives?

6 A. (Allen) It depends on your clarification of "senior" --
7 they are certainly senior managers. Would I consider
8 them senior executives? I would not.

9 Q. Okay. Thank you.

10 A. (Allen) As a point of clarification, since you
11 mentioned the retail and wholesale, is the retail
12 organization is set up in a very similar manner, where
13 Mr. Lippold is responsible for the sales of both
14 wholesale and retail. And -- from a business
15 perspective. And, from a wholesale perspective,
16 Mr. Murtha is responsible for service for both retail
17 and -- large business retail and wholesale.

18 BY MR. LADAM:

19 Q. Mr. Allen, just I guess a clarification, Mr. Hunt asked
20 -- Mr. Hunt observed that there is not a single manager
21 who is exclusively in charge of wholesale services.
22 Wouldn't you agree that Gwen Hammond and John Berard
23 don't constitute a "single manager"?

24 A. (Allen) Well, clearly, those are two different
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1 individuals that have different assignments within the
2 service aspect. I think it's pretty clear what the
3 definition of their particular roles are.

4 MR. LADAM: Thank you.

5 WITNESS ALLEN: You're welcome.

6 MR. MCHUGH: I don't want to keep
7 interrupting, but do we have questions for Mr. Murtha?
8 Because I don't want people to say they didn't have --
9 haven't had a chance to ask Mr. Murtha questions as we
10 approach when he needs to leave. That's all.

11 MS. BAILEY: Understand. But this is
12 where the questions for wholesale started. So, I
13 apologize.

14 MR. MCHUGH: That's fine.

15 MS. HATFIELD: I'm Meredith Hatfield,
16 for the OCA. Can we get a copy of the org. chart that
17 Staff's referring to?

18 MR. MCHUGH: Yes.

19 MS. HOLLENBERG: Did you provide the
20 filing --

21 MR. MCHUGH: No.

22 MS. HOLLENBERG: -- to our office?

23 Okay. Could we just get a copy of the filing please.

24 MS. HATFIELD: Why didn't we get a copy
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1 of it?

2 MR. MCHUGH: It was a Maine filing that
3 was sent, I don't know the time, but it was submitted late
4 in the day Tuesday.

5 MS. HATFIELD: To Staff of the
6 Commission?

7 MR. MCHUGH: It was not, I don't know if
8 --

9 WITNESS NIXON: Again, let me, just a
10 check, I believe that we provide to, and you'll have to
11 help me who we provide it to, a monthly org. chart to
12 Staff and I think the OCA, do we not?

13 MS. HOLLENBERG: Well, I guess I'm just
14 curious as to whether or not we've received, if you filed
15 something with the New Hampshire PUC Staff yesterday,
16 whether we received --

17 WITNESS NIXON: No, we did not.

18 MS. HOLLENBERG: Okay.

19 WITNESS NIXON: Oh, this was a specific
20 request from oral DRs that were made in Maine.

21 MS. HOLLENBERG: Okay.

22 WITNESS NIXON: And, we responded to,

23 and we have committed to get them to the other two states
24 as well.

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1 MS. HOLLENBERG: Okay.

2 WITNESS NIXON: And, it was not done
3 yesterday.

4 MS. HOLLENBERG: So, what is the --

5 WITNESS NIXON: And, it's not by
6 omission. We'll get it and we'll issue it. You know,
7 it's just a response to an oral DR. And, we'll certainly
8 provide it to both you and the Staff.

9 MS. HOLLENBERG: Thank you. I guess I
10 was just following up on the comment that Ms. Bailey made
11 about an organizational chart that she received yesterday.
12 So, that's what I was following up on.

13 WITNESS NIXON: Somebody else may have
14 provided it, but I know I didn't.

15 MS. BAILEY: It's possible that I got it
16 from the OCA, and I thought I got it from -- in the thing
17 that you guys sent from Maine?

18 WITNESS NIXON: Didn't come from me.

19 MS. HATFIELD: I am going to ask some
20 questions about this later. There was a July 28th letter
21 filed by FairPoint in Maine, and it does state that -- oh,
22 that there was a confidential updated organizational

23 chart, and then a list of all contractor new hires.

24 WITNESS NIXON: Right.

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1 MS. HATFIELD: But it wasn't attached,
2 because it was provided confidentially.

3 WITNESS NIXON: There was a specific
4 request in Maine that, for future hires, that we provide
5 additional detail, as we used to, for the resumés of those
6 new hires. And, I think the org. chart will probably be
7 very similar to the most recent one you've received,
8 perhaps with some changes. And, we'll get all that to
9 you. There was no intent otherwise. We'll, of course,
10 share that with you.

11 MS. HOLLENBERG: Okay. Thank you.

12 WITNESS NIXON: If you're part of the
13 receiving parties, we'll share that with you. I don't
14 know who is and who isn't.

15 MS. HOLLENBERG: Okay.

16 MR. MORRISSEY: Peter, as part of the
17 three-state calls on Wednesday, we can commit to get the
18 organizational charts to OCA and all staffs, and we will
19 do that today.

20 MS. BAILEY: Okay.

21 MS. HATFIELD: Thank you.

22 BY MR. HUNT:

23 Q. On that note, are there any management changes in the
24 current wholesale organization that FairPoint is
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1 considering?

2 A. (Allen) If you look down throughout the organization,
3 are there plans to change the way we're providing
4 service or change some of the positions? I am
5 contemplating some of those, have not decided on any.
6 If you're asking if we're going to change at the
7 executive level? There's no plan to do that at this
8 time.

9 Q. During the Wholesale User Forum conference call held on
10 July 22nd, FairPoint indicated that it plans to
11 reorganize its wholesale services center to eliminate
12 the dedicated single points of contact for the CLECs
13 and have the representatives specialized by products.
14 Given the myriad of problems the CLECs experience with
15 FairPoint across multiple products, why is FairPoint
16 switching from a customer-focused organization to a
17 product-focused organization?

18 A. (Murtha) I personally believe that we are still a
19 customer-focused organization. In the Wholesale
20 Service Center, by going away from the SPOC, the SPOC
21 was the single point of interface, but not the ability

22 to answer all of the questions. By going to product
23 specific, especially when you get into more of the
24 complex products with the difference in switched access
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1 versus, you know, regular access, it makes sense to
2 have people that have that specialized skill set to be
3 able to work with the individual customers to answer
4 their questions and needs on that type of order.

5 BY MS. BAILEY:

6 Q. So, what's the plan? How is it going to be set up, the
7 new --

8 A. (Murtha) Within the ASR team, there will be very --

9 Q. Excuse me. I'm sorry. What?

10 A. (Murtha) Within the ASR, the Access Service Request,
11 team there will be specific teams, those that are
12 dedicated to switch products, those that are dedicated
13 to special access products, those that are dedicated to
14 OC products, optical products. And, those people will
15 have that skill set that's specific to that question
16 and should be able to answer that question timely with
17 the customer on the phone, so we can increase the
18 effectiveness of processing those service requests.

19 Q. And, the same with LSRs?

20 A. (Murtha) The same with the LSR, because there's a
21 different skill set needed for each of the order types.

22 You know, somebody with directory experience to handle
23 caption listings or multiline listings, versus somebody
24 who would be working on a hot cut, for instance.

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1 Q. So, if a CLEC has a problem with a directory listing
2 issue, they call -- do they have a single point of
3 contact within the LSR group that they're working with
4 or do they just call a general number?

5 A. (Murtha) It would not -- It will be a general number
6 that they dial into. They get into the local queue,
7 and from there they would be able to get to a specific
8 individual that's handling the directory issues.

9 Q. And, if they have a follow-up question on that
10 particular issue?

11 A. (Murtha) They're going to have a contact from the
12 representative. We'll make the emails all available,
13 as we told the CLECs we would.

14 Q. And, so, when they have a follow-up question, will they
15 be able to get back to the same person or do they dial
16 the general number again?

17 A. (Murtha) They can get back to the same person. We have
18 individual desk numbers for each of the reps.

19 Q. Okay.

20 A. (Murtha) Now, we don't want the initial question coming
21 into that individual person. That's one of the fears

22 of that. We want them to use the queues, so that it's
23 shared around in the queues. Now, if it's a follow-up
24 question, then we'll work with the CLEC on that.

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1 BY MR. KING:

2 Q. So, for example, if a CLEC has a long list of orders
3 that they are having trouble getting processed, is this
4 going to require the CLECs to figure out which orders
5 go to which of your reps before they can get those
6 resolved or could they go to a single person to try to
7 get them all resolved?

8 A. (Murtha) If they have a long list of orders that
9 they're having issues with, that should go to the WHD,
10 the Wholesale Help Desk, and that group will help them
11 resolve that long list. If it's a long list, and it's,
12 you know, as you're saying, Chuck, if they had, you
13 know, ten ABs and UNEs and five CBs, you know, that's
14 going to go to different reps. So, the Wholesale Help
15 Desk or the service group will be able to help them
16 with that.

17 Q. So, your Wholesale Help Desk would then direct the --
18 direct the inquiries to the different specialists based
19 on the requirements?

20 A. (Murtha) Right. Well, the understanding there, if
21 there is a long list, is that there would probably be a

22 systemic issue that would have to be resolved and that
23 should go through the WHD. This is very much set of
24 the same way as we ran it within Verizon. The Call
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1 Center or the WSC, the Wholesale Service Center, is
2 specifically set up to handle individual PONs, whether
3 an ASR or an LSR, you know, as we did in Verizon, they
4 usually handled up to three questions or three issues
5 at a time. Anything after that that was multiple ended
6 up with the Wholesale Help Desk.

7 Q. Can you tell us a little bit about how the CLECs have
8 reacted to this reorganizational announcement?

9 A. (Murtha) Some of them have been very favorable about
10 getting back to a "business as usual". Those that, you
11 know, recognize that it's time to move away from the
12 SPOCs and the lists, etcetera. There's been both pro
13 and con reaction.

14 BY MS. BAILEY:

15 Q. How many SPOCs do you have, and they're all contracted
16 now, correct?

17 A. (Murtha) The majority are contracted. Some of the
18 SPOCs are in Portland.

19 Q. Okay. How many are there in total?

20 A. (Murtha) How many single points of contact? There's
21 40.

22 Q. Okay. And, under this new paradigm, how many people
23 are going to be available to answer the phones?
24 A. (Murtha) Still the same number of employees. It's just
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1 a shifting of functionality, to increase productivity
2 by having people dedicated to specific problems or
3 specific products.
4 Q. So, are the SPOCs in Toronto, for example?
5 A. (Murtha) They're in London, Ontario.
6 Q. London, okay. Are they still going to be contracted
7 with FairPoint?
8 A. (Murtha) They are still under contract with FairPoint.
9 Q. And, are they going to be answering the phones, but
10 just --
11 A. (Murtha) They answer the phones currently for all the
12 LSR questions. And, all ASR questions get answered in
13 Portland.
14 Q. Okay. So, there will be no reduction in the number of
15 people that are helping the CLECs?
16 A. (Murtha) We are not reducing any of the people based on
17 this rearrangement my product.
18 MS. BAILEY: Okay. Thank you.
19 MR. HUNT: Go ahead.
20 BY MS. WILUSZ:
21 Q. Rich, you stated that a majority or a portion of the

22 CLEC community was in favor of this change. Did you
23 actually seek the CLECs' input on this change prior to
24 making the change or suggesting the change?

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1 A. (Murtha) I talked to several of the CLEC personnel. I
2 did not talk to all of the CLECs and -- about what we
3 needed to do to start getting towards "business as
4 usual", and about what we were looking to do by
5 product. And, there was support for it. There was
6 understanding that "we understand what you're trying to
7 do and where you're trying to get to." You know, some
8 were apprehensive, in that they still wanted their
9 SPOC, because it was a single person that they could
10 reach out to, and I understood that.

11 From running this organization, and
12 looking at what we're trying to do, to me, this is the
13 step that made the most sense, because it's actually
14 going to help you the most to have these specialized
15 folks.

16 The thought was initially with -- with
17 the Synchronous that we would be able to just, you
18 know, put people across all products. But we need to
19 have people specialized in these products to help them.

20 Q. Can I get a list of the CLECs that are representing me
21 --

22 [Court reporter interruption]

23 BY MS. WILUSZ:

24 Q. I'd like to get a list of the CLECs that are
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1 representing my company in the decision-making process
2 to these changes. They impact me greatly.

3 MR. MCHUGH: Well, we can talk to the
4 list, but it's just the point, nobody said here that some
5 CLEC represents, your specific CLEC.

6 BY THE WITNESS:

7 A. (Murtha) This is my decision. This was not a CLEC
8 decision.

9 BY MS. WILUSZ:

10 Q. May I get a list of the CLECs that you solicited
11 feedback from?

12 A. (Murtha) I can give you -- well, I could tell you who
13 I've talked to, yes.

14 Q. Can you do that now?

15 A. (Murtha) I would have to talk to them first.

16 MS. WILUSZ: Okay.

17 BY MS. BAILEY:

18 Q. Can you make that one of the items on the list that
19 needs to be provided?

20 A. (Murtha) Only if those individuals are willing to have
21 their name disclosed.

22 Q. Okay. So, how do you decide which CLECs to solicit?

23 A. (Murtha) Just based on my conversations. This was my
24 decision to do. This is what I needed to do for the
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1 wholesale business, and this is the direction that I
2 chose to go in.

3 MS. WILUSZ: May I? I have a few more
4 follow-ups.

5 BY MS. WILUSZ:

6 Q. During the CLEC call in which you announced this, you
7 stated that there was good favorable support for this.
8 I was on that call, and I don't believe that that's an
9 accurate statement. Would it not be more prudent to
10 come up with a process where you solicit all CLEC
11 feedback, so you have an accurate amount of favorable
12 versus not favorable support for such a major change
13 that affects us?

14 A. (Murtha) I believe that on the call, and via the
15 e-mails that I received, that there -- on the calls,
16 there are people that take control of the call and do
17 not allow the opinion of the remainder of the CLEC
18 community to be heard.

19 Q. If that is your belief, then what I'd suggest, to
20 actually solicit information from all CLECs, so that

21 you have a greater input, would that not be more
22 prudent?

23 A. (Murtha) On certain decisions, I would agree.

24 Q. Would you agree in regards to this decision?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 A. (Murtha) No, this was my decision.

2 Q. How will this new approach actually affect your ability
3 to measure performance?

4 A. (Murtha) The ability to measure performance will be
5 based on the timely handling of both ASRs and LSRs.

6 BY MS. BAILEY:

7 Q. Do you have a measurement of the handling of LSRs and
8 ASRs?

9 A. (Murtha) It would be the on-time production of ASRs and
10 LSRs.

11 Q. So, you believe that this change is going to improve
12 the implementation or the completion of LSRs and ASRs?

13 A. (Murtha) Yes, I do. Based on the reps having specific
14 skill sets to the specific products, which we have
15 proven works in the past, by identifying and assigning
16 those reps that work specifically that they do in
17 reputation time and time again the same product
18 increases their skill capability and timeliness of
19 being able to produce that product.

20 Q. And, I presume that those statistics will be included

21 in your biweekly reports that you're going to start to
22 put together?

23 A. (Murtha) That's, you know, included today in our late
24 versus on-time, by product time.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 Q. But those are daily confidential reports?

2 A. (Murtha) Right.

3 Q. And, these --

4 A. (Murtha) I will talk with Mr. Nixon about what's in
5 that report going forward.

6 MS. BAILEY: Okay.

7 BY MS. WILUSZ:

8 Q. Will this change affect a new escalation list that will
9 also be product specific?

10 A. (Murtha) There is a product specific escalation list
11 out today for switched access/special access. This
12 will actually get us back to those lists that were
13 provided to you at cutover. So that you do have the
14 specialized skills and the ability to dial the 800
15 number, and then go to a Special Access Desk or
16 Switched Access Desk. So, that escalation list will be
17 updated.

18 Q. And, will it include timeframes for a response?

19 A. (Murtha) I believe we have timeframes listed in there,

20 but I will double check that.

21 Q. Will there be any accountability placed on these
22 individuals to meet that response timeframe?

23 A. (Murtha) Yes.

24 Q. And, what will that be?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 A. (Murtha) Of them making that timeframe, otherwise the
2 escalation goes above, and then there will be the
3 question of "why wasn't it handled at their level?"

4 Q. At what point does a repeated lack of response become
5 more actionable in your organization?

6 A. (Murtha) I guess that's -- it would matter what was the
7 reason for the lack of response. Was it that they
8 weren't in the office or, you know, it would be
9 dependent upon what the situation was.

10 Q. So, in an instance where a customer is out of service
11 or their business is being greatly affected based on a
12 lack of response from your organization, how would you
13 suggest we handle that?

14 A. (Murtha) Well, if it's an out-of-service, I would hope
15 that you are going to the repair organization and not
16 going to the ordering organization. But, if you're
17 going to the ordering organization, and we are
18 receiving the call, we should be as responsive as
19 possible. And, out-of-service is a priority that we

20 use to get you back in service as quickly as possible.

21 Q. We go to your order organization, because, if it's an
22 out-of-service based on an order issue, your Repair
23 Department will not work that.

24 A. (Murtha) Depending on when -- if the order was already
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 completed. That you didn't state on the
2 out-of-service, whether it was post- or pre-completion.

3 MS. WILUSZ: Thank you.

4 BY MS. FOLEY:

5 Q. How will this new approach handle the existing backlog
6 orders?

7 A. (Murtha) The teams are working with the SPOCs right now
8 to clean up anything that is currently on a list that
9 is being worked with the CLEC community. They will be
10 transitioning all of the req types and order types into
11 these work groups, so that they will analyze what's in
12 their buckets and continue to push these orders out.
13 There should be no degradation or you should see really
14 no change, except for improvement of the timeliness of
15 these orders getting handled.

16 MS. FOLEY: Thank you.

17 BY MS. CHASE:

18 Q. Currently, we still have numerous errors that we're
19 receiving on our orders. We go to our SPOC currently,

20 she fixes them, and they flow through. How is that,
21 due to the fact that we're still having numerous
22 systems issues on different types of products, DL, AB
23 orders, how is this transition going to help? Now I've
24 got one person to go to to fix, and because literally I
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 make a phone call, "Oh. Okay, I fixed it. There's now
2 facilities. The reject is gone. You should receive a
3 confirmation in a few minutes." Now, how is that --
4 you know, shouldn't you fix the problems before you
5 bring on a new organization to take over?

6 A. (Murtha) We are fixing every known defect that we have
7 at this time. What this will do is this group, for
8 instance, that we're talking about, as you mentioned a
9 DL issue, they will understand all DL issues that are
10 out there. So, if you have an issue that comes in on a
11 JB activity for Directory Assistance, they would be
12 aware of any issues that were out there for JB's and be
13 able to handle that. So that this should increase the
14 effectiveness of each of the reps.

15 BY MS. BAILEY:

16 Q. Are any of the people that are in this newly formed
17 group to answer the CLEC questions or help resolve the
18 CLEC issues more quickly responsible for any retail?

19 A. (Murtha) No. In my organization, the only person

20 responsible for both retail and wholesale is myself.
21 Everybody else in my organization that's dedicated to
22 wholesale has wholesale only as their job
23 functionality.

24 MS. BAILEY: Okay. Thank you.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 BY MR. HUNT:

2 Q. CLECs have reported a problem making and verifying
3 successful completion of directory listing updates.

4 A. (Murtha) Yes.

5 Q. According to the CLECs, these problems have affected
6 both correct updates of the directory assistance
7 database and published directories. Do you agree that
8 these problems exist, first of all?

9 A. (Murtha) I agree that we did have problems with
10 directory listing and with getting updates over to
11 Idearc that has caused us to delay a number of books.
12 However, I believe we've worked through those issues,
13 and have files that are moving over to Idearc on time
14 and for publication of the directories going forward.

15 Q. What have you done to work through those issues?

16 A. (Murtha) We've worked in partnership with Mr. Haga's
17 organization and with Idearc on the transportation of
18 the files from Siebel, the formatting of the
19 information, to make sure that it's received in a

20 timely manner. We've also worked on making sure that
21 we're delivering the LBR 30 days prior to the book
22 close, so that we can work with the CLECs and provide
23 them the opportunity to update their directory listings
24 prior to book close.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 Q. Have you telephone directories been properly updated?

2 A. (Murtha) As far as I'm aware, all the files have been
3 delivered to Idearc and prior to the books going to
4 publication.

5 Q. The CLECs have also complained about the accuracy of
6 provisioning completion notices and billing completion
7 notices, specifically getting notices prematurely or
8 not getting notices at all. Why is this happening?

9 A. (Murtha) We've had some issues within our provisioning
10 plans where the provisioning completion notice was
11 actually put in the provisioning plan on the due date
12 prior to the order being completed in the field. We've
13 had to go in and modify the provisioning plans and move
14 that task, so that waited for the technician to sign
15 off and complete the order, not just the due date,
16 before the PCN went. That was causing the premature
17 PCNs. In addition, we had the BCNs were completing out
18 in the provisioning plan as well, and that task had to
19 be moved beyond the PCN task, and then the update of

20 the billing systems and the completion of the order
21 through Siebel.

22 BY MR. FALCONE:

23 Q. Rich, there was also a case, that was kind of a
24 two-part question. There was also a case of CLECs not
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 getting PCNs and BCNs. Any updates on that?

2 A. (Murtha) Yes. We did have a case where we had a number
3 of BCNs that were not delivered. We had to go back in
4 and we had to reprocess the file so that the BCNs were
5 delivered. It was a filler task that did not run, that
6 did not allow the order to complete. The remainder of
7 the way, although the customer had service, service was
8 delivered, they were in service, but the BCN did not
9 generate to show that the billing had started.

10 BY MS. BAILEY:

11 Q. One of the last things we tested before cutover was
12 whether a proper BCN will be generated.

13 A. (Murtha) That's correct.

14 Q. How did that happen?

15 A. (Murtha) We are delivering thousands of BCNs. This was
16 not something that's affected every order. There was a
17 number of orders, and it was a specific provisioning
18 plan that was affected that caused this BCN not to go.
19 There was thousands of other orders that did receive

20 their timely BCN.

21 BY MR. HUNT:

22 Q. CLECs have complained about numerous problems with
23 basic number port orders. For example, premature
24 disconnects, customers not being able to receive local
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 calls after port, ports not getting done, although they
2 got a notice of completion. Are all the problems
3 associated with number ports resolved?

4 A. (Murtha) The answer to that is "no." This is the issue
5 that we talked about on Tuesday. Where we had an issue
6 where the orders were still not -- on the flow-through
7 orders. We had an intermittent issue where the
8 facilities were not being reused. And, it was creating
9 what we called an "N" and a "D", a new and a
10 disconnect. And, without the facilities being tied in,
11 these were being worked out of sequence. We are aware
12 of all the issues with the CBs, the port order
13 activity, number port activity. We have corrected a
14 number of issues over the year so far on the CB ports.
15 We have worked with the RCMAC organization and have had
16 to put some additional steps into the provisioning
17 plan, such as ensuring that the order does not complete
18 out until after 5:00 p.m. on the day of the order.
19 Because what was happening was we were completing out,

20 and then the CLECs were not taking the customer, which
21 was causing us a issue to have to bring the customer
22 back over and reinstate the telephone number. Also, it
23 did not give the CLEC the opportunity to check the
24 order up until 5:00 p.m. on the date of due date, if
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 they did not want to take the customer. But, yes, we
2 did have some issues on the port numbers.

3 MR. FALCONE: Rich, I have a couple of
4 follow-ups, if I may.

5 WITNESS MURTHA: Sure.

6 BY MR. FALCONE:

7 Q. Just for the record, to get things clear, the question
8 specifically was focused on number ports, and the first
9 part of your answer talked about the reuse of
10 facilities. Would you agree that has nothing to do
11 with number ports, that was a different type of order?

12 A. (Murtha) Yes, sir.

13 Q. Okay. Good. Just so we're getting everything clear.

14 A. (Murtha) Yes.

15 Q. With respect to the number ports, two questions. One,
16 you talked about the situation, I won't say the number,
17 because I don't know if it's confidential or not, but
18 there was a number of cases where CLECs didn't take the
19 number. They issued the order, everything was supposed

20 to get done, the CLEC didn't execute. And, therefore,
21 you thought you lost a customer, but you didn't. And,
22 as I understand it, you stopped billing those customers
23 and you needed to clean all that up?

24 A. (Murtha) That's right.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 Q. Could you tell us what the status of those orders are?

2 A. (Murtha) We have finished cleaning up those orders.

3 Q. Okay. Great. Last part of the -- going back to the
4 original question, there still -- there were a number
5 of CB type order problems which required manual
6 processes and exchange of spreadsheets and numerous
7 phone calms and hand-holding. Have all those problems
8 been resolved? As far as, right now, other than maybe
9 database issues, are CB orders flowing through and
10 working without all the hand-holding that was required?

11 A. (Murtha) The short answer to that is "yes." The issue
12 that was causing the CBs to fall out and get a reject
13 message and required us to have to share spreadsheets
14 between the CLEC and us has been resolved. We were
15 having to manually process these, between the WSC, the
16 Wholesale Service Customer, and the RCMAC to get the
17 numbers set up and triggered an impact. That process
18 does currently work, as you can see by the increase of
19 flow through on those numbers.

20 MR. FALCONE: Thank you.

21 MR. MCHUGH: Rob, Ms. Mullholand.

22 BY MS. MULLHOLAND:

23 Q. My question is actually on billing completion --

24 [Court reporter interruption]

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 BY MS. MULLHOLAND:

2 Q. My question is on billing completion notices. The
3 other day we talked about, when an order comes in, it
4 gets a provisioning completion notice, and, then, when
5 the order is finished, it should have a billing
6 completion notice. At what point after that should the
7 records associated with that order be updated?

8 A. (Murtha) Upon receipt of the provisioning completion
9 notice, within 72 hours after that you should receive a
10 billing completion notice. Forty-eight (48) hours
11 after the receipt of the BCN, the CSR should be updated
12 to show any feature changes, adds or additional USOCs
13 to the database.

14 Q. So, what is the billing completion notice actually
15 representing, if it's not that things are completed
16 through the system?

17 A. (Murtha) The billing completion notice is telling you
18 that it is completed through the system, and that it's
19 been over from Siebel to the billing system, whether

20 it's Kenan or CDG, and that the billing has been
21 posted.

22 Q. Okay. So, the directory listing, which --

23 A. (Murtha) Directory listing updates the CSR in two
24 different areas. There's two different updates.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 There's one when the information goes across to both --
2 I'm sorry, both Delta and Idearc, which updates the
3 directory information on the CSR, which would show the
4 change in customer, etcetera. And, then, the BCN of
5 that would just be for updating the billing invoice on
6 the directory.

7 Q. Okay. So, if I receive a billing completion notice on
8 the 28th, when should I see a directory listing change
9 in VFO?

10 A. (Murtha) If you received it on -- a BCN on the 28th,
11 you would see it, assuming we're talking July 28th?

12 Q. Uh-huh.

13 A. (Murtha) You should see it today or at the latest
14 tomorrow.

15 MS. MULLHOLAND: Okay. Thank you.

16 BY MR. HUNT:

17 Q. CLECs have also complained that they are not getting
18 their out-of-service troubles resolved within the
19 standard 24 hours. What is the problem and what is

20 FairPoint doing about it?

21 A. (Murtha) FairPoint is working with the ROC, the
22 Regional Operation Center, on the mean time to repair
23 for our troubles. We are working with the CLEC
24 community to drive that number down.

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[WITNESS PANEL: Nixon|Allen|LampHERE|Murtha|Haga]

1 Q. And, what is the status of retail out-of-service
2 troubles within 24 hours?

3 A. (Murtha) I don't have that number in front of me.

4 Q. Does anybody else here know that answer?

5 A. (Nixon) Based upon the exhibit that was -- the daily
6 update exhibit that was made part of the proceeding,
7 the mean time to repair for consumer POTS service was
8 39 hours.

9 MR. MCHUGH: First of all, what date is
10 that daily report?

11 WITNESS NIXON: It's as of the 27th, I
12 believe, of July.

13 MR. MCHUGH: Yes. So, that, just for
14 the record, is not an exhibit to the proceedings, but --

15 MR. HUNT: This one is.

16 MR. MCHUGH: No, that's just -- that's
17 just the daily report that went out to the staffs
18 yesterday, and the OCA.

19 MS. BAILEY: We've been referring to

20 several daily reports, but we haven't made them exhibits,
21 because they're confidential, and we haven't said the
22 numbers.

23 WITNESS NIXON: Now it is.

24 BY MR. FALCONE:

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 Q. Mr. Nixon, just a clarifying question on that report
2 that you just quoted from. Are those outages or are
3 those trouble reports, that mean time to repair, is
4 that just out-of-service or is it all trouble reports?

5 A. (Nixon) I believe it's all trouble reports, but that's
6 subject to check, and I -- I think that's all trouble
7 reports.

8 MR. FALCONE: Thank you.

9 BY THE WITNESS:

10 A. (Allen) One other point I would make is what was just
11 quoted was for that particular day.

12 A. (Nixon) Right.

13 A. (Allen) So, it shouldn't be thought of as indicative of
14 overall, but at a period of time.

15 BY MS. BAILEY:

16 Q. Do you think the retail out-of-service cleared within
17 24 hours is upwards of 95 percent?

18 A. (Allen) I don't know.

19 A. (Nixon) I don't have that with me.

20 Q. You know, I looked at this statistic on the retail
21 quality of service report, and it's reporting 95, 99
22 percent. And, I would ask that somebody look into that
23 number, because I question its accuracy. I've never
24 seen anything that high on cleared -- out-of-service
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 cleared in 24 hours. But, if it is that high, that
2 would be a nice story.

3 MR. MCHUGH: Is that from the daily
4 report that they --

5 MS. BAILEY: No, that's the monthly
6 retail quality of service report that is not confidential.

7 (Multiple parties speaking at the same
8 time.)

9 MR. MCHUGH: Sorry, Steve.

10 WITNESS NIXON: I think the request was
11 from the SQI to make sure --

12 [Court reporter interruption]

13 MS. BAILEY: That statistic came from
14 the monthly retail quality of service report that is not
15 confidential. So, I'd like you to verify that that's
16 accurate.

17 WITNESS NIXON: Yes, ma'am.

18 BY MR. FALCONE:

19 Q. One other, if I may, Peter, is could you also give the

20 same statistic for wholesale cleared within 24 hours?
21 If you're doing retail, could you -- what's the result?
22 Not right now, you know, but could you follow up what
23 the result is for wholesale outages?
24 A. (Nixon) Subject that we have it, I will.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 MR. FALCONE: Okay. Thanks.

2 BY MR. HUNT:

3 Q. Are valid orders from CLECs not automatically entering
4 into Order Management and need to be manually entered
5 by FairPoint?

6 A. (Murtha) There are certain valid orders that come from
7 the CLECs that are manually entered, and they were
8 designed to be done that way, only because of the
9 complexity of the order. The goal was, obviously, to
10 take all valid orders and allow them to flow through.

11 Q. Does FairPoint count such orders as flow-through
12 orders?

13 A. (Murtha) If they do not flow through? No. If they
14 have to be manually created, they're not counted as
15 flow through.

16 BY MR. KING:

17 Q. Even if they flow through without falling out beyond
18 that point of being created, put into Order Management?

19 A. (Murtha) Can you repeat that, Chuck?

20 Q. To be specific, if you have an order which requires
21 manual processing in order to enter into Order
22 Management, but, once it arrives in Order Management,
23 it does not fall out before you get to provisioning.
24 Is that counted as a flow-through order?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 A. (Murtha) No.
2 A. (Haga) "No" from a standpoint that, by definition,
3 they're complex orders, they wouldn't flow through the
4 systems anyway. You know, so we're not rekeying in a
5 simple POTS line order. So, it does count in the
6 statistics. So, by default, in the first step. And,
7 also, on the retail standpoint, we have the same
8 exercise. Complex orders, though, entered directly
9 into Siebel, they are rekeyed into the Metasolv
10 application. So, the order is regenerated. So, it's a
11 similar process for both lines of business.
12 A. (Lamphere) It's also important to note that the orders
13 that are intended to be manually keyed are not
14 considered part of the flow-through statistics.
15 MR. KING: Thank you.
16 MR. MCHUGH: Thanks.
17 MR. HUNT: As I've said earlier, we want
18 to make sure that everyone has an opportunity to question
19 Mr. Murtha. Are there other questions for Mr. Murtha

20 before we go onto other issues? Go ahead.

21 BY MS. FOLEY:

22 Q. With regard to the statement you made earlier in that
23 CSRs will be updated within 48 hours of the BCN. Is
24 that "business as usual"? Is that consistent with
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 pre-cutover levels?

2 A. (Murtha) That's consistent with pre-cutover levels.

3 Q. On a weekly basis, how is your time divided between
4 your wholesale functions and your business functions?

5 A. (Murtha) The majority of my time is spent on wholesale.

6 Q. Is that consistent with pre-cutover levels?

7 A. (Murtha) Yes. The majority of my time, since being at
8 FairPoint, has been designated to wholesale.

9 Q. How many people report to you?

10 A. (Murtha) Directly or indirectly?

11 Q. Both.

12 A. (Murtha) Directly, I have five direct reports;
13 indirectly, about 238.

14 Q. And, how is that divided between wholesale and retail?

15 A. (Murtha) On the wholesale side, about 100 -- it's about
16 half, half now.

17 Q. Evenly divided between wholesale and business?

18 A. (Murtha) Well, my Business team is actually smaller
19 than my Wholesale team, but I also have an Operator

20 Services team.

21 Q. And, how are your priorities set for the two functions
22 that you oversee?

23 A. (Murtha) The priorities are based on -- a lot of the
24 priorities are set based on the top ten items that I'm
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 working on for issues that are outstanding. Working on
2 -- my number one issue today or has been working on
3 wholesale flow through, working on getting the products
4 able to go through, and I continue to stay focused on
5 that. I spend a portion of my day with, as Mr. Allen
6 said, Mr. Berard, who is my Director of Wholesale,
7 discussing the issues that are affecting the Wholesale
8 Centers in each of the CLECs. I'm in communication
9 with him about each of the customers and what are
10 potential issues that are out there and that are
11 outstanding. And, then, I spend a portion of my day
12 with Mr. Broderick who covers the Business to
13 understand what issues are affecting him. And, then,
14 based on the issues of the day, I'm dedicating my time
15 for those issues, to bring them to resolution.

16 Q. How much of your time roughly is spent dealing with
17 emergencies or escalations, as opposed to a normal
18 workload?

19 A. (Murtha) My teams take care of a majority of the

20 escalations. When something gets escalated to me, I
21 turn around and I contact within the team, because
22 that's where the work has to get done. Whether it's
23 within the Wholesale Service Center, in the Regional
24 Operations Center or one of the field groups, I contact
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 which organization needs to complete the work. Then, I
2 contact the customer, and then we get the issue
3 resolved.

4 Q. Yes. But how much of your time roughly is spent on
5 that?

6 A. (Murtha) Maybe an hour a day.

7 Q. And, how much of your team's time is spent on emergency
8 or escalated matters?

9 A. (Murtha) There's a portion of the team that's dedicated
10 to escalations. So, that is their job, is to resolve
11 escalations.

12 MS. FOLEY: Thank you.

13 BY MS. WILUSZ:

14 Q. Can you explain what you mean by there's a section of
15 your team that's "dedicated to escalations"? Does that
16 mean that they strictly do nothing but escalations?

17 A. (Murtha) That's, well, what they're working on is what
18 has come into the buckets that needs to be escalated or

19 tracked in that today or, actually, on Tuesday we
20 discussed quite heavily escalations have been reduced into
21 the PUC, I believe is what you said. I believe, as that
22 has happened, that the escalations into your group have
23 probably increased. I know, in my organization, we try to
24 keep all of our escalations within the FairPoint group, as
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1 opposed to coming to the PUC or certainly going to
2 Mr. Nixon. I would like to see just what those levels are
3 and what your people's performance is as it relates to
4 those escalations. My experience has been that it's very
5 poor.

6 MR. MCHUGH: I will take it back and
7 take that into consideration.

8 WITNESS MURTHA: We'll take that into
9 consideration.

10 MS. WILUSZ: I have other questions for
11 Mr. Murtha on different topics, if that's okay?

12 BY MS. WILUSZ:

13 Q. During the Merger Sales Agreement, it stated that
14 FairPoint would provide the same functionality to CLECs
15 as Verizon did. What process has FairPoint or
16 Capgemini undertaken to review these services and
17 determine how they will be replicated?

18 A. (Murtha) We sat down and we analyzed all of the

19 processes that were in place under Verizon, to make
20 sure that we could functionalize or be able to provide
21 a service that would duplicate or at least be able to
22 provide that type of service going forward.

23 Q. Is there a list of services that will no longer be
24 provided?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 A. (Murtha) There's a differences documents that was
2 provided to show what's different between Verizon and
3 FairPoint.

4 Q. Do you consider delivering an address addition in five
5 days providing to the CLECs the same functionality that
6 Verizon did, given that they delivered that information
7 in one?

8 A. (Murtha) I believe we discussed that on Tuesday.
9 Currently, our process is, for both retail and
10 wholesale, within five days. And, I believe Mr. Nixon
11 said that we would look into bettering that.

12 Q. Some Verizon services, such as EWPTS, are not being
13 replicated, is that correct?

14 A. (Murtha) EWPTS was a proprietary system to Verizon.

15 Q. Prior to the sale of Verizon, FairPoint's "business as
16 usual" for the CLEC community would have been
17 benchmarked by what we were receiving from Verizon.
18 Was the functionality of the Verizon systems used to

19 determine the "business as usual" benchmarks?

20 A. (Murtha) The functionality to provide services that
21 were equal to what Verizon provided were used to
22 measure "business as usual".

23 Q. Why were the CLECs not consulted on what would be
24 considered "business as usual"?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 A. (Murtha) I believe that is a part of consideration in
2 the statement that was in the Stabilization Plan that
3 stated that, you know, when the customer has perceived
4 that service is at or where it was prior to cutover. I
5 mean, the definition of "business as usual" is
6 different for each one of us here.

7 A. (Allen) And, if I could just maybe add a little bit to
8 that. As we discussed on Tuesday, if you're speaking
9 specifically about the Stabilization Plan, a lot of the
10 measurements that we were asked to provide for that
11 were new measurements that had not existed before. So,
12 in both, on a retail and a wholesale basis, what we
13 tried to do was estimate what would be a high level of
14 performance, and that's what we've put in for different
15 objectives. So, the process of determining what
16 measurements we use was a collaborative effort,
17 primarily driven by, in this case, recipients of the

18 three states. And, the numbers that we put in there as
19 far as objectives were, again, our best estimate on
20 both retail and wholesale, unless there were specific
21 measurements that existed before cutover that we can
22 utilize.

23 Q. Would FairPoint be interested in speaking with the
24 CLECs to find out what areas of that do not meet our
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1 "business as usual" standards?

2 A. (Allen) I think what we discussed on Tuesday was many
3 of the measurements that are in here need to be
4 revised, as far as even what is being measured. And,
5 Mr. Nixon is in the process of putting together what
6 those measurements are, which will include both
7 wholesale and retail.

8 Q. But will you be seeking the input of the CLEC
9 community?

10 A. (Nixon) I'll ask Mr. Murtha to do that through the
11 Wholesale User Forum to seek the input, certainly.

12 Q. Thank you. How does FairPoint and Capgemini identify
13 OSS defects?

14 A. (Haga) Well, I'll tell you how they're received by the
15 -- by my group. They're either reported, you know,
16 through Rich, through the User Forum, or through daily
17 calls or through individual issues with a particular

18 order. They will either come through where we identify
19 them or just the operations of the systems themselves.
20 But they are reported to us either through weekly calls
21 that we have established with the various business
22 groups throughout the Company or through items that are
23 reported through our Help Desk.

24 Q. Is there a complete list of these defects?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 A. (Haga) I want to caution from "defects", because we
2 track all work that's being required from IT. We don't
3 get into a lengthy discussion, "defect", "change
4 request", and so forth. A "defect", by nature, is
5 "it's not working as intended." And, once you get into
6 that, you spend too much time talking about that
7 conversation, versus just getting the fix in and making
8 the correction. Is there a list? Yes, we work a list,
9 we work for each system. We work with the business to
10 prioritize what we need to be working on, like many
11 people. You know, we've got a list of work that's
12 greater than what we can perform. So, we work through
13 and prioritize the activities.

14 We do have a separate group, it's not
15 within my organization, for just wholesale activities.
16 All other work that's performed is, you know, we've got
17 a team dedicated to our Siebel application, to

18 Metasolv, to GE Small World, and so forth. But we have
19 a separate group carved out specific to wholesale
20 issues that also work with the various applications to
21 make sure that we're working on the prioritization list
22 that Rich provides to us that comes from the different
23 sources, the inputs come from the sources I mentioned
24 earlier.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 Q. Can we get a copy of your defect list?

2 MR. MCHUGH: We'll take that back and
3 discuss it. That may be confidential.

4 BY MS. WILUSZ:

5 Q. Can you speak to what the defect correction process is?

6 A. (Haga) Defect correction process follows a -- what I
7 would consider a "normal" IT, or Information Technology
8 shops process for going through a development life
9 cycle. To identify what the defect is, we look at the
10 root cause of the defect, we determine what the
11 resolution to the issue would be, we do the coding or
12 configuration change or data manipulation, whether it's
13 through a query or through a separate program, place it
14 into a test environment. We test it internally. We
15 put it in front of our business community, we say "do
16 you have your ability to test it as well?" Once they
17 give us the approval that they're comfortable with the

18 fix, then we go through a change management process to
19 promote the fix into our production environments, and
20 then we close the issue.

21 MR. HUNT: If I could just -- are you
22 finished?

23 WITNESS HAGA: Yes.

24 MR. HUNT: Just before you go any
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1 further, are the questions that you have planned more
2 IT-oriented or are they going to be directed to
3 Mr. Murtha?

4 MS. WILUSZ: Well, I thought some of it
5 was directed to Mr. Murtha, as he's the collections point
6 for where our defect claims go to. But what he's doing
7 with them beyond that is of interest to me, because it
8 affects the way we interact with our Wholesale Division.

9 MR. HUNT: Okay. Go ahead.

10 MS. WILUSZ: Is that okay?

11 BY MS. WILUSZ:

12 Q. Can you tell me who's in charge or who is ultimately
13 accountable for seeing to it that, once a defect has
14 actually been identified, and then prioritized, to
15 establishing a date for that fix, and then seeing to it
16 that that fix is actually accomplished by that date?

17 A. (Haga) Ultimately, it's myself.

18 Q. Do you have any statistics as to how many of them have
19 been corrected on time?

20 A. (Haga) I can gather that, yes. But whether or not it's
21 provided is a different story.

22 Q. Can we request that?

23 A. (Haga) You can request it. Like I said, we do not
24 separate defects from change requests, and, in the
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1 change requests, I'd be concerned with the changes
2 we're making in our application.

3 MR. MCHUGH: We'll go back and talk
4 about it later.

5 BY MS. WILUSZ:

6 Q. Change requests in the wholesale community have been
7 identified as "nice to have" changes to the system. It
8 concerns me that, as of recently, change requests are
9 at the top of the list of discussions on our calls. Do
10 you think it's prudent to be discussing "nice to have"
11 changes being fixed, as opposed to system changes that
12 need to be changed in order to make us work on a daily
13 basis?

14 A. (Murtha) I'll take that one. The change request is
15 part of the change management process. So, there is --
16 it's a portion of the wholesale agenda that we have to
17 have within the community to understand what changes

18 the CLEC community is looking to have, because I need
19 to, at the same time as we're working defect issues, I
20 need to also schedule with Mr. Haga changes that are
21 going to be impacted from ASOG and LSOG future
22 releases. I also need to be able to put into his
23 schedule change requests that you guys, as a community,
24 are looking for as enhancements, so that we can get
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1 that time and -- production time and development time
2 scheduled within his organization. So, there is a
3 reason to discuss the change requests. But, at the
4 same time, we are prioritizing anything that is a
5 defect that was impacting your ability to perform your
6 business.

7 Q. You stated that you have more changes or more defects
8 than should be on your plate or that the volume --
9 you've indicated that the volume is very high.

10 A. (Haga) I did not indicate that.

11 Q. Okay. Regardless, I'd like to talk a little bit about
12 how your staffed to actually take on the volume of
13 fixes that you have on your agenda or your plate. Can
14 you tell me if there's been any calculations made as to
15 how many employees it would actually take to bring your
16 systems up to what you would consider functioning at a
17 normal pace, within a reasonable period of time? And,

18 if so, what that reasonable period of time was
19 dedicated as?

20 MR. HUNT: Before you answer that
21 question, I just want to find out, are you asking Mr. Haga
22 that question specifically?

23 MS. WILUSZ: I guess I'm not sure if it
24 goes to Mr. Haga or Mr. Murtha. These issues affect us,
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1 because our systems are not working. And, as the
2 wholesale community continues to focus on areas that are
3 not bringing these systems up to speed so that we can
4 function on a daily basis, it's very interesting to me to
5 know what their timeframe is that they intend to be able
6 to bring these systems back to working status.

7 MR. HUNT: I absolutely want you to have
8 an opportunity to ask all your questions. I guess I'm
9 just trying to understand, if you have questions that are
10 specific to Mr. Murtha or, if you don't know, that's fine.
11 Do you have an estimate of how much time you need for the
12 remainder of your questions?

13 MS. WILUSZ: I don't. If you'd prefer
14 that I waited and ask Mr. Haga the IT questions, if
15 Mr. Murtha is fine with that, then I can wait. I have a
16 few questions regarding flow through I can go to, and then
17 I can be done.

18 MR. HUNT: Yes. We would like to have
19 you direct your questions to Mr. Murtha now, because,
20 after you've done that, we'll give anybody else who has
21 questions specific to Mr. Murtha an opportunity to ask
22 them. And, then, we'll be going into the format outlined
23 in the July 24th secretarial letter. So, go ahead please.
24 BY MS. WILUSZ:

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1 Q. Mr. Murtha, do you know what type of orders flow
2 through the Verizon system?
3 A. (Murtha) Yes, I do.
4 Q. Can we get a list of those?
5 A. (Murtha) Sure.
6 Q. And how they will match up with what FairPoint
7 envisions as flow-through products when you are at
8 normal business?
9 A. (Murtha) The products that flow through Verizon are the
10 products that will flow through FairPoint.
11 Q. And, I'm sorry, you said we could get a copy of that?
12 A. (Murtha) I can give you a list of the products that are
13 designated to flow through, yes.
14 Q. Do you envision a time when the workarounds will no
15 longer -- the manual workarounds will not be necessary
16 in order to achieve "business as usual"?

17 A. (Murtha) I can envision a time where, you know --
18 manual workarounds will always need to be in place.
19 Verizon never had 100 percent flow through. Stuff
20 falls out every day that requires a manual solution.
21 No product in Verizon ever flowed through at
22 100 percent. So, there's going to need to be a manual
23 workaround solution for every product. I can see us
24 increasing flow through to get the volumes up to where
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1 we want it to be, but there will still be manual
2 solutions for each product and entity.

3 MS. WILUSZ: Thank you. I think I'm all
4 set. Thank you.

5 MR. HUNT: Thank you.

6 MS. CHASE: I only have a couple of
7 questions.

8 MR. HUNT: Go ahead.

9 BY MS. CHASE:

10 Q. This "difference" document you speak about, I haven't
11 seen that. Where is that? Is that located on your
12 website anywhere?

13 A. (Murtha) Yes, it is.

14 Q. Okay. Could you tell me -- could you email where that
15 is?

16 A. (Murtha) Sure.

17 Q. And, the other thing is, I would also like a copy of
18 which orders are dedicated to flow through and which
19 ones are going to fall out or that should, I should
20 say?

21 A. (Murtha) The complex order activity will never flow
22 through.

23 Q. What do you consider a "complex"?

24 A. (Murtha) The Primary Rate ISDN, you know, the Base Rate
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1 ISDN, those types of orders, ATM, frame relay, those
2 orders will never flow through, they're not designed to
3 flow through. The designation of flow through will be
4 your AB loop types, your JB straight line listings.
5 Complex listings will not flow through, caption
6 listings will not flow through. The majority of resale
7 will flow through eventually, except for when you get
8 into the PRI, Primary Rate ISDN and Base Rate ISDN.
9 Primarily, the POTS type services will flow through for
10 each of the req types that we have. But I will provide
11 a list of which products are designated to flow
12 through.

13 Q. And, the orders that are designated not to flow
14 through, such as a complex listing, how is that
15 communicated through the WISOR system that this order
16 needs to be manual? Is it just going to stay in

17 acknowledgment or are we going to receive a reject?
18 A. (Murtha) No, you'll receive an acknowledgment. I still
19 have the same time window, the 24 hours, to give you a
20 confirmation. What happens is that order goes into
21 Metasolv. It creates a shell order. And, from there,
22 my representatives go in and manually process that
23 order and continue it down on its provisioning path.
24 Q. Okay. Are you in charge at all of the Repair Center?
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1 I'm not sure exactly what you do, sorry.

2 A. (Murtha) I am not in charge of the Repair Center.

3 Q. Okay.

4 A. (Murtha) That would be under Mr. Smee.

5 MS. CHASE: Then, I'm all set. Thank
6 you.

7 MS. MULLHOLAND: Kath Mullholand, from
8 segTEL.

9 BY MS. MULLHOLAND:

10 Q. Are the CSRs that FairPoint provides today functionally
11 equivalent to those that were provided by Verizon?

12 A. (Murtha) With the data that we have in the systems,
13 they are.

14 Q. Okay. Did Verizon CSRs for multi-line accounts provide
15 circuit IDs that were associated with the telephone

16 numbers?

17 A. (Murtha) I would have to check. I'd have to pull a
18 sample from the old Verizon database.

19 Q. Do FairPoint CSRs provide circuit IDs that go along
20 with telephone numbers?

21 A. (Murtha) I think they do. I'd have to pull the
22 specific CSR.

23 Q. I have not seen them on the CSRs that I've pulled
24 lately.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 A. (Murtha) Okay.

2 Q. But we can certainly check that. If the Verizon CSRs
3 did show a circuit ID and the FairPoint CSRs do not,
4 subject to check, is that considered a defect or an
5 enhancement?

6 A. (Murtha) After cutover, we went -- we worked with the
7 CLEC community on the CSRs of missing information of
8 what needed to be provided and what was optional data.
9 I believe we have all of the data that had to be
10 provided updated onto the CSRs, and we worked those as
11 defects. If there's a field that is missing on the CSR
12 that is required, we would work with you to get that
13 provided.

14 Q. Okay. On multi-line CSRs, did Verizon provide service
15 addresses that went along with each phone number?

16 A. (Murtha) I believe they did.

17 Q. Do FairPoint CSRs provide addresses that go along with
18 each phone number?

19 A. (Murtha) I believe we provide one service address with
20 the main line telephone number.

21 Q. Do you consider that a defect or an enhancement?

22 A. (Murtha) At this time I would consider that probably an
23 enhancement.

24 Q. Okay. Did Verizon provide CSRs for multi-line accounts
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 that showed all the directory listings that were
2 associated with all the telephone numbers on the
3 account?

4 A. (Murtha) I'm not aware. I don't know what Verizon
5 provided there.

6 Q. Okay. Do FairPoint CSRs show all the directory
7 listings that are associated with all the numbers on a
8 multi-line account?

9 A. (Murtha) I have not pulled that CSR. I would have to
10 look at it.

11 Q. Okay. Subject to check, if there is that variation,
12 would that be considered a defect or an enhancement?

13 A. (Murtha) I would be glad to talk to you about that as
14 an enhancement to add for feature capability.

15 Q. Did Verizon CSRs for multi-line accounts show adequate

16 hunting information to be able to replicate a hunting
17 arrangement for a complex customer?

18 A. (Murtha) I'm not an expert on what Verizon CSRs
19 included. I don't know.

20 Q. Do FairPoint CSRs provide adequate information for a
21 CLEC to be able to replicate the hunting arrangement
22 for a complex customer?

23 A. (Murtha) I think that would be a definition of what we
24 both consider "adequate". I'm not aware of any issues
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1 that you see on the CSR that is missing data or a
2 functionality. And, as I stated, I'd be glad to work
3 with you on any additional functionality or features
4 that you would need.

5 Q. Okay. I just have two more. Did Verizon CSRs contain
6 USOC definitions for all the USOCs that were contained
7 on the CSR?

8 A. (Murtha) I don't know if they contained the USOC
9 definitions. I know they posted the USOCs and what
10 they meant, and we duplicated that.

11 Q. And, do FairPoint CSRs include USOC definitions and
12 translations on the CSRs?

13 A. (Murtha) I'm not aware.

14 Q. That I can state for sure, they do not. Would that be
15 considered a defect or an enhancement?

16 A. (Murtha) I would state that would be an enhancement
17 that I'd be glad to discuss with you.
18 Q. Okay. And, the final one is, do FairPoint CSRs include
19 all relevant billing information, the pricing of all
20 the products that appear on the CSR?
21 A. (Murtha) As I stated, I would have to be able to look
22 at the CSR. I have not studied the CSR.
23 Q. There again, they do not. And, would that be
24 considered a defect or an enhancement?
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1 A. (Murtha) That would be an enhancement that I would be
2 glad to discuss with you.
3 MS. MULLHOLAND: Thank you, Rich.
4 MR. HUNT: OCA have questions for Mr.
5 Murtha?
6 MS. HATFIELD: Just a few. Thank you.
7 Meredith Hatfield, for the OCA.
8 BY MS. HATFIELD:
9 Q. Mr. Murtha, I believe you testified previously that
10 some of your responsibilities fall within the retail
11 area, is that correct?
12 A. (Murtha) That's correct.
13 Q. Can you just describe what those are?
14 A. (Murtha) I oversee the Business Operations Call Center
15 and Order Processing Center.

16 Q. And, is the Order Processing Center for business
17 customers?

18 A. (Murtha) That's correct.

19 Q. So, do you have any responsibilities related to
20 FairPoint's retail customers, specifically residential
21 customers?

22 A. (Murtha) The residential customers, no.

23 Q. And, I wanted to follow up on I believe one of Wendy's
24 questions, or maybe it was Paula, I don't remember.

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1 You were asked, I believe this was the question, "was
2 the functionality of Verizon's systems used to set
3 FairPoint's "business as usual" goals?" And, I don't
4 recall whether you answered "yes" or "no". Can you
5 just discuss that?

6 A. (Murtha) Sure. Verizon had almost 700 systems. We
7 have about 70 systems. We looked for the functionality
8 to be able to provide the best service that we could
9 provide to be what is "business as usual". You know,
10 the functionality of what the systems did to provide
11 service orders, to provide on-time service, etcetera,
12 is what we looked at to come up with our definition of
13 what is "business as usual". To be able to receive an
14 order via telephone, if it's in the business order or
15 it be an LSR or ASR via Synchronous, and then to be

16 this proceeding. Do you have additional questions?

17 MS. WILUSZ: No, I'm all set. Thank
18 you.

19 MR. HUNT: Does anyone else have
20 additional questions before we break?

21 (No verbal response)

22 MR. HUNT: Okay. We'll break until --
23 well, a 15 minute break, so back at 12:02ish.

24 MS. BAILEY: Eleven.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 MR. MCHUGH: Eleven.

2 (Multiple parties speaking at the same
3 time.)

4 MR. HUNT: Eleven, I apologize.

5 (Whereupon a recess was taken at 10:48
6 a.m. and the technical session resumed
7 at 11:13 a.m.)

8 MR. HUNT: Back on. Okay. I understand
9 that, Pat, you have something you want to start with?

10 MR. MCHUGH: Yes, I just had one
11 question for Mr. Allen, that he had -- Yes, Mr. Allen has
12 a clarification to some earlier testimony.

13 WITNESS ALLEN: I do. Specifically, it
14 was asked about the reporting structure in wholesale.

15 And, at the time, I mentioned that there were two folks
16 that reported directly to Mr. Murtha regarding wholesale
17 service; one was John Berard, the other was Gwen Hammond.
18 Actually, Mr. Murtha has the same structure he has for
19 retail as he does in wholesale, and that one Director of
20 Wholesale Operations reports to him, that's John Berard.
21 And, Gwen Hammond actually reports to John. So, it's just
22 a clarification of what I had mentioned earlier.

23 MR. HUNT: Thank you. And, I understand
24 there are additional questions for Mr. Murtha.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 BY MS. WILUSZ:

2 Q. Mr. Murtha, on several occasions customers, after
3 converting from FairPoint to BayRing, had received
4 different letters from your organization. Some of them
5 welcoming them to FairPoint as a customer and others
6 requesting that they re-up contracts that are no longer
7 with your company. Can you explain to me how this
8 happens and what process would be put in place to stop
9 this from occurring?

10 A. (Murtha) I'd have to look at the specific example that
11 you're talking about. And, I did review the letter
12 with Wendy during the break. We have had several of
13 these notifications from other CLECs in the past, and
14 we have reviewed it. Some of the customers that are

15 receiving these notifications have ported out their
16 telephone number, but their DSL still remains on
17 FairPoint, so they're still a FairPoint customer on the
18 DSL side. Some of these customers, what I've seen in
19 some of the letters is they ported over to the CLEC
20 customer, for instance, the date of the pull for the
21 addresses for the letters was pulled on, you know, the
22 10th, and the letters went out on the 15th, and the
23 numbers were ported, you know, on the 12th. And, so,
24 that customer converted during that timeframe and
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1 there's thousands of these letters that are going out.
2 I'd have to look at the individual scenario for the
3 customer. You know, I understand that's proprietary,
4 we don't want to make that part of the record. But I
5 will work with Wendy on that and provide an analysis on
6 that.

7 Q. Could you also just verify for the record when the data
8 pulls are actually being made, because my experience
9 has been that customers have ported up to 45 days prior
10 to the letter being dated? I think that's a long time
11 for a data pull.

12 A. (Murtha) I've contacted Mr. Weiger, who runs the
13 Marketing organization, and we are working on that
14 right now.

15 Q. Okay. And, do you feel that the reporting structure of
16 repair -- or, excuse me, of retail and wholesale being
17 under you could be hindering your ability to correct
18 this? Is the data being pulled from one side that's
19 too closely tied to the other?

20 A. (Murtha) No. No. There's a wall in between that
21 separates the data that does not get crossed.

22 MS. WILUSZ: Thank you.

23 MS. CHASE: I have follow-up questions
24 to the letters that went out to our customers.

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1 BY MS. CHASE:

2 Q. It's been our experience that we actually had a
3 customer that received two letters two days after I
4 ordered circuits, dry loops to that location, and they
5 were not a FairPoint customer. And, they received
6 letters with pricing on it. We actually received a
7 letter ourselves from G4 Communications, and you
8 spelled our name wrong. I did receive -- I contacted
9 Todd Jurva and let him know, and he said that the root
10 cause was identified on 7/23, that a remedy ticket was
11 submitted and it was fixed and applied on 7/24. He
12 said that -- he goes into how it -- what the reason
13 was.

14 But I guess my question to you is, now

15 that our customers and all the CLEC community, how are
16 you contacting them or are you contacting them to let
17 them know that this was an error? Because we had a
18 customer call us and say 60 days after they ported to
19 us they received a letter, and they asked or they
20 stated that they were confused. Are they a FairPoint
21 customer or are they our customer? So, how are you
22 communicating, other than to the CLEC community, that
23 this was done in error?

24 A. (Murtha) We'd have to take that on a case-by-case
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1 basis, because, and I'm aware of, Julia, your two
2 letters, I received a copy of them from you as well,
3 they have many lines with that account. We'd have to
4 do the research to see if they're still lines that are
5 still with FairPoint, where they are partially a
6 FairPoint customer as well.

7 Q. They're actually resold through a different CLEC.

8 A. (Murtha) Right.

9 Q. But still they shouldn't have been identified at all.

10 A. (Murtha) It would be on an individual case-by-case
11 basis that we'd do that. What I'll do is make sure
12 that we share this information with the CLEC community
13 in our next Thursday forum, and that we have a process
14 in place to handle this. And, if you choose that you

15 want us to contact your customer to -- with you to
16 assure that they are your customer, then we would work
17 with you on that.

18 Q. Is there a way to find out how many of our customers
19 were affected? Not all of our customers, I'm sure,
20 have contacted us saying they received these letters.
21 Do we know what customers are affected of ours or does
22 any CLEC know how many customers of their customers
23 received these letters?

24 A. (Murtha) I'm not sure how we would go about doing that.
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1 We would have to check the mass mailing list of
2 addresses, etcetera, and compare them to the database
3 from which they were pulled, and we would have to get
4 back to you on that.

5 MS. CHASE: Okay.

6 BY MS. WILUSZ:

7 Q. Rich, I believe you said that this is affecting
8 thousands, that there have been thousands of these
9 letters going out. Would FairPoint agree to stopping
10 these letters until you can come up with a way to
11 assure that the CLEC community is not receiving --
12 customers are not receiving letters?

13 MR. MCHUGH: No, he didn't say
14 "thousands were going to CLEC customers".

15 MS. WILUSZ: Understood.

16 MR. MCHUGH: What he said was "marketing
17 letters were going out to the customers." I want to make
18 sure there's a clarification, because that's not what the
19 record reflects.

20 BY THE WITNESS:

21 A. (Nixon) I will take it up with the head of the
22 Marketing, and determine if it is a -- how widespread
23 -- is it an issue, number one, and how widespread is
24 it? And, we'll take your request under advisement.

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1 MS. WILUSZ: Thank you.

2 BY MS. BAILEY:

3 Q. Is there a way to analyze how many of the thousands of
4 marketing letters that FairPoint sent out, and I assume
5 that they were -- I don't want to say "random", but,
6 you know, just to everybody that you thought you could
7 market to, is there a way to analyze and determine how
8 many inadvertently went to CLEC customers?

9 A. (Nixon) Yes, what I don't know, and what I will follow
10 up on is, what kind -- were they personalized letters?
11 Was it a mass marketing? What was it? And, so, let me
12 get some more information. I'll be happy to get that
13 from you, Wendy, if you'd like.

14 MS. WILUSZ: These are direct letters to

15 the customers. They are not marketing letters. They're
16 either welcoming them as a FairPoint customer or
17 requesting that they re-sign contracts.

18 WITNESS NIXON: Okay. So, that was the
19 first thing on my list is how many were sent? How many
20 might have gone inappropriately to a CLEC customer? So,
21 that is where I'm going to start my search.

22 MS. FOLEY: Can we make that as an oral
23 data request?

24 MS. BAILEY: I'm putting it on the list.

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1 MS. FOLEY: Okay. Thank you.

2 BY MS. CHASE:

3 Q. The statement I received from FairPoint says that they
4 have "modified their letter script to ignore any
5 account with a disconnect/delete order activity. This
6 should eliminate letters when there are
7 transfer/migration activity, live accounts properly
8 coded in Wholesale and Kenan have been and will
9 continue to be excluded from the letter process." So,
10 they did identify it, and these were welcome letters
11 that says, you know, "We look forward to you being a
12 customer", and it has pricing on it that's different,
13 it's not just random. It shows, you know, a measured
14 service, an unmeasured service. We received one for

15 data service. So, I agree with Wendy, these are not
16 marketing letters. These are specifically targeted to
17 specific customers.

18 A. (Nixon) Could I just, to make my search more efficient,
19 could I get a copy of what you have so I can get back
20 to the right person?

21 Q. Uh-huh. A copy of the email I received or --

22 A. (Nixon) A source, so I can go back to the source.

23 Q. To the person I spoke with?

24 A. (Nixon) Sure.

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1 Q. Sure, you can have the email. From Todd Jurva.

2 A. (Nixon) Thank you.

3 MR. HUNT: Okay. What we have tried to
4 do prior to today is to stay in some kind of order in
5 relation to the Status Report. So, I'm returning to late
6 pending orders, starting with some questions in that
7 category.

8 RE: LATE PENDING ORDERS

9 BY MR. HUNT:

10 Q. First, what caused more orders than anticipated to fall
11 out for manual handling during the first few months
12 following cutover?

13 A. (Lamphere) There were several issues that caused higher
14 than normal or higher than anticipated fallout

15 immediately after cut, including employee proficiency
16 within the systems, inventory issues. I would say
17 that, within the first 60 days after cut, you know, it
18 was clearly identified that we had inventory
19 reconciliation that was needed. So, we immediately
20 started taking steps to perform that. That has
21 tremendously cleaned up, you know, or reduced fallout
22 and increased flow-through rates, as represented in the
23 daily reports. But I would say the combination of user
24 proficiency within the new systems, these are entirely
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1 new systems to all of the employees. So, those two
2 factors were primarily the cause of higher than
3 anticipated fallout.

4 Q. I used the word "anticipated" because that was the word
5 that was used in the Status Report. And, in relation
6 to that, I'd like to know what percent of orders did
7 FairPoint anticipate would require manual handling
8 after cutover?

9 A. (Lamphere) I guess to clarify, "anticipate manual
10 handling to include orders that were intended for
11 manual handling" or "orders that were intended to flow
12 through that" --

13 A. (Allen) The anticipated fallout, in general, not by
14 product type, was that we would get a 60 percent flow

15 through at cutover, and then we would have about
16 40 percent of the orders fall out.

17 MS. HATFIELD: Can you repeat that
18 answer?

19 MR. MCHUGH: Well, no. Steve, can you
20 read it back please?

21 (Whereupon the court reporter read back
22 the last answer.)

23 BY MR. HUNT:

24 Q. So, what percent of orders actually required manual
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1 handling after cutover?

2 A. (Lamphere) We would have to look back through the daily
3 reports as they were assembled to determine what the
4 flow-through rate was. I don't have that information
5 on the top of my head.

6 Q. Please add that to the request for additional data.

7 MR. MCHUGH: Can you repeat it, Rob, for
8 me, so I can write it down?

9 MR. HUNT: What percent of orders
10 actually required manual handling after cutover?

11 BY MR. HUNT:

12 Q. Did FairPoint have a cutover -- excuse me. Did
13 FairPoint have, at cutover, a sufficient number of

14 people dedicated to handle the order fallout and were
15 they sufficiently trained?

16 A. (Nixon) Let me take that. Based upon the expectation
17 of a 60 percent flow through, we had staffed the work
18 centers to the level that we believe would be adequate
19 to handle or appropriate to handle the number of
20 orders. And, they had gone through, trained on how to
21 handle them. Certainly, in reflection, the area -- one
22 of the areas that challenged us most following cutover
23 was what I would call the orders that did not flow
24 through, and how they're being processed and our
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1 ability to process them quickly. And, we put in place
2 both organizational changes, additional training,
3 on-site support. So, we had staffed and had trained
4 for the expectations, and we had to adjust based upon
5 what the actual event took place.

6 Q. In the July 8th Status Report, FairPoint indicated that
7 there were 5,331 late pending orders. However, you say
8 that 1,315 of these are not available for FairPoint
9 action, because, one, the orders are complete in the
10 system, but held; two, the orders are held for customer
11 reasons; and, three, the ports are not accepted; and,
12 four, the orders held for facilities. For each of
13 these four categories, please explain why FairPoint

14 cannot take action.

15 A. (Lamphere) Okay. So, for the first category, "the
16 order is complete in the system, but held", that
17 pertains specifically to access service request, frame
18 relay orders on the wholesale side. There were
19 inventory, logical inventory issues that prevented the
20 assignment of PVCs. So, we put a manual workaround in
21 place that let the orders complete, it let the customer
22 get service on time, actually, in all 89 cases. But it
23 would not allow us to manage the PVC inventory within
24 the system, so we tracked it on spreadsheets
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1 separately. Those have since been completed since this
2 report was filed.

3 "Held for customer reasons" could be
4 anything from access to the customer premise, customer
5 not ready, the customer has a future move date and
6 they're not ready for the order at this point. That
7 happens pretty frequently in the rental community.

8 "Ports not accepted", as Mr. Murtha
9 mentioned earlier, those have now been resolved as
10 well. But that would be an instance where we had a
11 port out scheduled. That port out did not complete,
12 the carrier did not take the number.

13 "Held for facilities" means that it is a

14 -- it's a working order, it's an order inflight in the
15 system, but we do not have facilities available to
16 deliver the service. So, construction, in many cases,
17 is required and underway. That leaves the balance
18 available for FairPoint, actually meaning we can
19 actually process the order through the provisioning
20 system, there is no impeding factor.

21 BY MR. FALCONE:

22 Q. Bryan, on the last category, the ones that were held
23 for facilities, the construction would be FairPoint's
24 responsibility. There is -- that "FairPoint can't take
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1 action" is a little misleading in that case?

2 A. (Lamphere) Right. So, to clarify, "held for
3 facilities" doesn't mean FairPoint can't take action.
4 They just can't take action to process the order any
5 further through the provisioning process until
6 construction completes.

7 MR. FALCONE: Thank you.

8 BY MS. BAILEY:

9 Q. Have you found that some of the orders that were held
10 for facilities were held not because facilities weren't
11 there, but because they weren't there in your
12 inventory?

13 A. (Lamphere) In very few cases, but not -- not a

14 majority.

15 Q. Okay. Are retail POTS orders held for facilities?

16 A. (Lamphere) They are.

17 Q. And, is there really a facility shortage for retail
18 POTS?

19 A. (Lamphere) In several areas.

20 A. (Nixon) For our next discussion, I do have one
21 escalation that we're working, where we have a person
22 who built a new house and we need to construct and
23 place five poles.

24 Q. Okay.

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1 A. (Nixon) So, in that case, it would be an example where
2 there would be one.

3 A. (Lamphere) So, if you look at the balance on this, this
4 is a snapshot in time of the date this report was
5 filed. There were 173 orders held for facilities.
6 That is obviously not a majority of the orders. So,
7 yes, there are definitely cases where there's
8 residential addresses that there's no facilities
9 available. It could be a customer has ordered a third
10 line to their house and there is only a two pair drop
11 to the address.

12 BY MR. KING:

13 Q. So, just for clarification, are you saying that there

14 now are only two categories that remain that prevent
15 you from being able to process the orders further,
16 which would be the orders held for customer reasons and
17 orders held for facilities?

18 A. (Lamphere) No. I'm just saying that at this snapshot
19 in time there were 804 orders that port outs were not
20 accepted on the due date. Those 804 have been moved
21 along. Held for -- In the system, held but not or
22 complete -- service complete, but held in the system,
23 those 89 have moved on.

24 Q. Have they been replaced by others?

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1 A. (Lamphere) They have not at this time, no.

2 Q. So, then, that leaves only two categories, if I
3 understand correctly?

4 A. (Lamphere) Okay, it leaves only two categories, orders
5 in these categories on that date, yes.

6 Q. Well, what I'm asking is what's the current situation?

7 A. (Lamphere) The current situation is we have orders held
8 for facilities, we have orders held for customer
9 reasons. We could, at some point, have orders held --
10 completed, but held in the system for various reasons.
11 And, we could have port outs that don't complete on the
12 due date as scheduled.

13 Q. But you don't now?

14 A. (Lamphere) The carrier will not or does not take the
15 number.

16 Q. But you don't now?

17 A. (Lamphere) As of two days ago, when we pulled the data,
18 we had the port outs not accepted, a smaller value in
19 each one of those buckets. But, as of today, there are
20 -- the 89 are gone, from the orders complete in the
21 system, but held, and the ports not accepted are
22 cleared. That's correct.

23 MR. KING: Thank you.

24 BY MR. LADAM:

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1 Q. I can understand why an order that requires new
2 facilities, like poles, should take longer. I'm
3 confused as to why it would be late, rather than have
4 an extra long due date and planned originally for it to
5 take longer? Can you help me there?

6 A. (Lamphere) There are several reasons that that could
7 happen. You know, the customer could have had a future
8 due date or had an earlier due date, and then decided
9 they wanted to move that due date out, but they haven't
10 actually placed a supplement order with us, so the
11 original due date was maintained. So, it's late.

12 A. (Allen) And, maybe I could give an example, because I
13 would have been one of these customers a period of time

14 ago, and it was the example where I moved into a new
15 development, and the facilities had not been built out
16 to -- it was a new section of a new development. When
17 the order was placed, the order was placed with the
18 standard due date associated with it. The provisioning
19 system would typically place a standard due date. It
20 was only after that they went out and identified that
21 there were no facilities there that they had to work
22 something out to give me a specific date when I could
23 expect service. So, I knew when service was going to
24 come, but it would have shown up as a late order,
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1 because, when it was entered, it went through the -- it
2 was given a standard interval due date.

3 BY MR. HUNT:

4 Q. On Tuesday, Mr. Lamphere testified that FairPoint now
5 has 4,000 -- about 4,800 late orders. How many of
6 these are not available for FairPoint action and why?

7 A. (Lamphere) I cannot give you that information for
8 Tuesday's as yet, but I can give you those numbers for
9 yesterday.

10 Q. Okay.

11 A. (Lamphere) And, actually, I will follow up to it, too.
12 You guys asked me an oral DR yesterday to break up the
13 provisioning, past due orders by business, residential

14 and wholesale, I'll give you those numbers at the same
15 time. So, the total of orders that remain for
16 FairPoint that can be actioned on or the total that
17 cannot be executed at this point in the provisioning
18 system?

19 Q. Both.

20 MR. MCHUGH: Can we go off the record
21 one minute, Attorney Hunt?

22 MR. HUNT: Off the record.

23 (Off the record.)

24 MR. HUNT: Back on.

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1 MR. MCHUGH: Bryan, do you need the
2 question read back?

3 WITNESS LAMPHERE: I will in one second
4 here. I'm just doing some math.

5 MR. MCHUGH: Rob, can you repeat the
6 question for me by chance?

7 MR. HUNT: Yes.

8 MR. MCHUGH: Are you ready, Bryan?

9 WITNESS LAMPHERE: I'm ready.

10 MR. HUNT: I'll repeat the original
11 question, and either Bob or Chuck may have follow-ups on
12 it.

13 BY MR. HUNT:

14 Q. On Tuesday, Mr. Lamphere testified that FairPoint now
15 has about 4,800 late orders. How many of these are not
16 available for FairPoint action and why?
17 A. (Lamphere) Okay. I'll just go through it by category.
18 This is the data from yesterday. Some of this has
19 changed, obviously, orders continue to be processed.
20 Held for customer reasons, as of yesterday, were 220;
21 wholesale port outs that were not completed was 657.
22 Those have since been completed. Held for carrier miss
23 reasons, meaning the carrier called us to say they
24 couldn't perform their piece of it, they couldn't do
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1 the test and turn out at that time, were 6. Held for
2 pending related orders was 16; held for facilities was
3 209; held for infrastructure falls into the facilities
4 category was 2; and held for internal company reasons
5 were 567. So, that leaves a balance of 2,673 that can
6 be processed.

7 Q. What are those "internal company reasons" that you're
8 referring to?

9 A. (Lamphere) There's an entire list of internal company
10 reasons. They're not represented here.

11 Q. Can you give us a few examples of those please?

12 A. (Lamphere) Trouble load is one that I can know of right
13 off the top of my head, but there are several examples.

14 BY MS. BAILEY:

15 Q. "Trouble load" being -- "trouble load" meaning that you
16 have so many troubles that you're clearing you don't
17 have enough labor force to do the installations?

18 A. (Lamphere) I can't speak to the definition of the
19 Company misreads and Company held reasons.

20 Q. Well, I think that's kind of important to know. So, --

21 A. (Lamphere) I don't dispute that. I just can't speak to
22 it myself.

23 Q. Does anybody know?

24 A. (Allen) If you took that 567 and added it to the last
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1 number that Mr. Lamphere mentioned 2,673, all of those
2 would be actionable by us. The only difference is the
3 567 do not have a specific jeopardy code or reason why
4 they have not yet been completed internally. But
5 they're all the same reasons that the 200 -- 2,600 odd
6 were. So, I would put those two together. They
7 actually are all actionable by us. And, there's a
8 variety of different reasons. Whether it was systems
9 related, it was personnel available at that particular
10 time to get it installed. Keeping in mind, most of
11 those are July installations. So, in many instances,
12 they're late, but they're late by a day or two days.
13 So, there's not an overriding issue outside if they are

14 late. And, it could have been they went through the --
15 going back to something we said Tuesday, if they were
16 put in the unsubmitted order to start, because they
17 were on credit hold or credit research, and then they
18 got into the system a couple days late, and now they're
19 going to be a couple days late when they complete.
20 Again, keeping in mind, most of those were July. That
21 would be an example of why something would be in that
22 category.

23 Q. Do you know how many of the ones that are available for
24 FairPoint action are greater than 20 days?

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1 A. (Lamphere) I'm not sure I have that information
2 available today. But I can -- I can get you that
3 information.

4 MS. BAILEY: Okay. Thank you.

5 BY MR. FALCONE:

6 Q. Bryan, just a couple, if I may. One, I apologize, you
7 were going faster than I could write. The one that was
8 associated with the "16", what was that category? Held
9 for pending?

10 A. (Lamphere) Held for pending related order.

11 Q. Okay.

12 A. (Lamphere) Meaning there's an associated disconnect or
13 a new connect that relates directly to that order.

14 Q. Got it. Got it. You indicated that there was 657 for
15 port outs not complete, and I thought earlier you said
16 that that was zero?

17 A. (Lamphere) That's correct. This data was pulled two
18 days ago.

19 Q. Okay. So, 657 was two days ago, now it's zero.

20 A. (Lamphere) Correct.

21 Q. Maybe the next question is for Mr. Murtha. Rich, from
22 my understanding from the WUF calls, the Wholesale User
23 Forum, I apologize, that was an issue when they didn't
24 take the port, and there was a systematic fix to that
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1 that would not cause the problem. Is that still the
2 case?

3 A. (Murtha) That is still the case, that these are not
4 continuing. These were the leftover of the 804 that we
5 had in process.

6 Q. Thank you. So, just to follow and make sure we're all
7 clear. This category should always be zero going
8 forward?

9 A. (Murtha) This category should be zero, unless, you
10 know, something fell out that would be different. But,
11 right now, we don't anticipate anything going into this
12 category going forward.

13 MR. FALCONE: Thank you.

14 MR. HUNT: I just want to note that I've
15 seen at least one hand raised for other parties wanting to
16 ask questions. Right now, we're back to the July 24th
17 secretarial letter format. So, Staff is going to be
18 asking questions. After Staff is finished asking
19 questions today, then OCA and parties will be permitted to
20 ask questions.

21 BY MR. HUNT:

22 Q. Do you agree that there has been a significant increase
23 in late pending orders greater than 20 days?

24 A. (Lamphere) I disagree with that.

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1 BY MS. BAILEY:

2 Q. Do you have yesterday's Daily Report?

3 A. (Lamphere) Report dated 7/29?

4 Q. We were looking at the --

5 MR. FALCONE: 7/28.

6 BY MS. BAILEY:

7 Q. -- the report dated 7/28, from Tuesday.

8 MR. MCHUGH: Do you have that, Bryan?

9 WITNESS LAMPHERE: I have 7/29.

10 MS. BAILEY: Well, look at 7/29.

11 WITNESS LAMPHERE: Okay.

12 MS. BAILEY: It may work. And, look at

13 --

14 MR. FALCONE: July 1st.

15 MS. BAILEY: July 1st.

16 MR. FALCONE: No, actually the July 2nd
17 report, July 1st data.

18 [Court reporter interruption]

19 MS. BAILEY: Sorry. We're asking
20 Mr. Lamphere to look at the July 2nd report that we looked
21 at yesterday, and compare it to --

22 MR. MCHUGH: I'm sorry. I thought you
23 wanted the July 29 Daily Report?

24 MS. BAILEY: The July -- we looked at
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1 the July 2nd report that we had on Tuesday, and we
2 compared that to the July 28th report, but there's
3 probably not a significant difference between July 28th
4 and July 29th. So, --

5 WITNESS LAMPHERE: I guess I'm just
6 confused about which report you're referencing. So,
7 you're looking at the Milestone Results from 6/26?

8 MS. BAILEY: No, the Daily Report, from
9 July 2nd, which was the Daily Report that Mr. Allen based
10 the July 8th Status Report on.

11 WITNESS LAMPHERE: Okay. So, I'm going
12 to look at 7/29.

13 MS. BAILEY: Okay.

14 MR. FALCONE: Bryan, maybe this will
15 help. Based on a summary that we do of the Daily Reports,
16 if we compare the latest report, the July 28th or
17 July 29th, doesn't matter, and we compare that to the
18 Daily Report that was issued on July 2nd, in all
19 categories, except now we may have this issue of totality,
20 if you separated into different categories, in total, you
21 may be right, the number may have gone down, because the
22 retail POTS number of orders late greater than 20 days
23 went down. But, if you look at all the other categories,
24 ASR, LSR, DSL, the number went up. So, maybe you kind of
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1 got caught up on the question when you answered "no", you
2 don't agree. If you add them all up, and it is possible,
3 and I didn't do that, you know, we could do the arithmetic
4 here, but, for the sake of time, it is possible that the
5 total numbers of orders late greater than 20 days may have
6 gone down. But, if you break them down into the
7 categories, every category, except retail POTS, has gone
8 up or has stayed exactly the same.

9 WITNESS ALLEN: If I could make a
10 clarification, because I think the totality in this case
11 actually has an --

12 [Court reporter interruption]

13 WITNESS ALLEN: The totality of the

14 numbers I think has an added importance, because between
15 July 2nd and the end of July, I believe it was in that
16 timeframe, we changed the categorization of where an order
17 would sit in a different category. In the past, if an
18 order had both POTS service, for example, and DSL,
19 sometimes it was counted in the DSL category, sometimes it
20 was categorized in a POTS category, and it caused some
21 numbers to jump back and forth. So, the reporting changed
22 to take the highest functional product and put it in that
23 particular category. So, for example, every instance
24 where we had POTS and DSL, on a given -- on the same
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1 order, we would categorize it as "DSL". If it had POTS,
2 DSL and retail-other, we would categorize it as
3 "retail-other". That way you had a consistency going
4 forward and not an arbitrary placement of where that order
5 was, which I think we communicated when we made that
6 change.

7 So, if that's the case, you would have,
8 especially in POTS, you'd have a pretty substantial
9 reduction, because you took a lot of the orders that would
10 have previously been in POTS and moved them over to a
11 higher functioning product, if you will, or DSL. So, I
12 think the total, in this particular instance, may have
13 more validity than just looking at the categories.

14 MS. BAILEY: Well, when there's --

15 MR. FALCONE: I'm sorry.

16 BY MR. FALCONE:

17 Q. I would agree with you, Jeff, except the comparison I'm
18 doing is apples to apples. I'm starting my analysis or
19 this analysis at the point when you made that change.

20 A. (Allen) Okay.

21 Q. So, I totally agree with you, and I took that into
22 consideration when I looked at this, because of the
23 shuffling of the deck, if you will.

24 A. (Allen) Okay.

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1 Q. So, this analysis was done post that change, so it's
2 truly apples to apples.

3 A. (Allen) Okay.

4 Q. And, POTS went down significantly. Retail POTS orders
5 late greater than 20 days did go down significantly,
6 which, on the retail side, took the total down
7 significantly. But, if I look at the other categories,
8 DSL, retail-other, ASR, and LSR, they either went up,
9 in some cases fairly significantly, I won't give
10 numbers, because I know they're confidential, or stayed
11 the same, you know, maybe went up one or two.

12 A. (Allen) Okay.

13 A. (Murtha) On the wholesale, now that the CB issue has

14 been taken care of, that will dramatically drop that
15 number on the wholesale side, at the CBs, those were
16 impacted in the over 20 days.

17 Q. So, from an LSR standpoint, I should see that
18 essentially in today's report?

19 A. (Murtha) You should see that number go down.

20 Q. In today's report?

21 A. (Murtha) Probably be in today's report or tomorrow's
22 report, would depend on when those orders hit the
23 system.

24 Q. So, Rich -- I'm sorry, to follow-up on that, not giving
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1 the number here, but we had the other number, because
2 that was public, the 657 that Bryan quoted, I should
3 see this number go down by approximately 657?

4 A. (Murtha) Probably 600 and change, yes.

5 MR. FALCONE: That would be wonderful.

6 WITNESS MURTHA: Yes.

7 BY MR. HUNT:

8 Q. Who is on the dedicated team to put in place the focus
9 on all pending late orders referenced in the Status
10 Report?

11 A. (Lamphere) It's a cross functional team representing
12 various provisioning organizations. But, in addition
13 to that, there is a dedicated service delivery team in

14 place now representing the provisioning functions. So,
15 this team focused on reducing the backlog works in
16 concert with the standard provisioning process, and to
17 help them with pieces they don't understand or if they
18 see one thing and we see another. So, it's a cross
19 functional team made up of several provisioning groups.

20 Q. How many people are on that team?

21 A. (Lamphere) Seven.

22 Q. Are the same people working on late pending wholesale
23 orders and retail orders?

24 A. (Lamphere) Yes.

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1 Q. What --

2 A. (Allen) If I can clarify one of the answers, because
3 there was a question that Mr. Lamphere mentioned the
4 "dedicated team" and then the "service delivery team".
5 There was a specific team that was put in place, a SWAT
6 team, if you will, to focus on the late orders that
7 Mr. Lamphere headed up and was working specifically to
8 drive down these orders. In addition to that team,
9 there were also, to answer the question about wholesale
10 and retail, there were specific activities that were
11 also happening, as Mr. Murtha has described, in the
12 wholesale area to support that team, as there were in
13 the business -- retail business service area. On a

14 permanent basis, we have restructured our provisioning
15 process and have a service delivery organization now or
16 a team, which is an awful lot more than seven people,
17 as opposed to having individual queues or functions to
18 deliver the service. So, there's really two pieces to
19 that answer. And, the service delivery team is an
20 ongoing way we're structured to deliver service on
21 time. The SWAT team, or the seven people that
22 Mr. Lamphere headed up, was a specific task force, if
23 you will, to drive the number down of the late pending
24 orders.

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1 Q. Do they still exist?

2 A. (Lamphere) Yes.

3 Q. The next couple of questions that I have may indicate
4 my confusion, but I'm not sure I completely understand.
5 I was referring, in my first question about the
6 "dedicated team", to the dedicated team on late pending
7 orders. And, talking about that team, what authority
8 does that team have to resolve problems?

9 A. (Lamphere) We've been fully empowered to resolve
10 issues.

11 BY MS. BAILEY:

12 Q. When do you anticipate the late pending orders to be
13 back to "business as usual"?

14 A. (Lamphere) I think the numbers here are, they are
15 "business as usual".
16 Q. Okay.
17 A. (Nixon) Let me interject, if I might, a point of
18 reference. And, Bryan can correct me or add to it. Is
19 that we went to a data extract in September of 2008,
20 and pulled the orders that existed in that extract.
21 Did an analysis based upon those orders at that point
22 in time, and determined there were some -- some number
23 that were under 60 days old that amounted to, Bryan,
24 somewhere around eight or 9,000 orders?

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1 A. (Lamphere) That's correct.
2 A. (Nixon) Then, there was another number that were over
3 60 days old that we discount because many of those were
4 so old, we believe them to be just not valid orders
5 anymore. We had no way to indicate they were. We went
6 through and scrubbed those orders to make sure, when we
7 cutover, that he brought across valid orders. But, as
8 we did our analysis to see what existed pre-cutover
9 versus post-cutover, we discounted -- we did not even
10 count the orders that were over 60 days old to do our
11 pre-cutover/post-cutover analysis. So, current, based
12 on that snapshot, September 2008, it was about 9,000
13 orders in the system. And, today, the actual numbers

14 that, I think we just added those two groups together,
15 was 3,200.

16 Q. It was 3,200 actionable by FairPoint. Does that
17 compare to the 9,000? The 9,000 were --

18 A. (Lamphere) The 9,000 are in totality, and as are the
19 4,000 plus in totality that we have in today's numbers.

20 A. (Nixon) So, it would be -- I'm sorry. The 4,000 would
21 be compared against the 9, I'm sorry.

22 MS. BAILEY: Okay.

23 BY MR. KING:

24 Q. So, does that mean that the "business as usual"
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1 objective that you had in your -- in your Status Report
2 of 1,315 is incorrect?

3 A. (Allen) Yes. Yes. The historical knowledge that we
4 gained, as far as what was typically in place prior to
5 cutover was gained this past week. The number that was
6 put in the Status Report was predominately a
7 mathematical analysis that said "Here are the number of
8 orders that we currently have outstanding. Here is the
9 amount that you would typically take out of that given
10 today's current environment." And, all that was was
11 the math of adding all of the today's environment, that
12 day's environment, how many orders we couldn't impact,
13 and then that gave you a total that was left that was

14 to be worked. So that the mathematics there was
15 really, if we had no orders at all that were actionable
16 late, that would have been the number that was
17 associated with that.

18 Q. So, just for clarity, what would you now say the
19 correct "business as usual" objective should be?

20 A. (Allen) I think there are two very different numbers.
21 There's a optimum number that we will strive for to
22 provide the level of service that we'd like to give the
23 customers, and that would be a number that is less than
24 where we are today in each of the different categories.

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1 But, on a comparative basis, against where we were
2 pre-cutover, we are actually at levels lower than where
3 we were in September of 2008.

4 BY MR. FALCONE:

5 Q. I think what I'm struggling with is dealing with
6 confidential information and some of the numbers that
7 are being thrown around, but let me try this.
8 Mr. Nixon gave some numbers of what was late orders
9 before and we have some numbers now. And, we don't
10 know what those 9,000 that Mr. Nixon has talked about
11 earlier represented. A lot of those may have been
12 garbage orders, we don't know that, that ultimately got

13 cancelled. I think what's key here is a percentage of
14 total orders that are pending, of your pending orders,
15 what percent are late? Right now, without revealing
16 anything confidential, from my experience in the
17 industry and looking at the data, I would suggest that
18 your percent of total pending orders that are late
19 right now is not "business as usual". And, that's
20 something that you need to look at. Rather than giving
21 raw numbers of "we had 9,000, now it's down to 4,000."
22 It's what percent of your pending orders are late?
23 And, right now, I don't think you'd agree that that's
24 "business as usual"?

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1 A. (Allen) Well, I certainly would not agree it's at a
2 level of where we want to get to, and there's no
3 question that the focus continues to be, as represented
4 by the team still in place and the change of process by
5 setting up a service delivery team, is to continue to
6 dramatically improve that result. Because, ultimately,
7 that's one of the key measurements of how customers are
8 going to view us. The reason for the answer I gave is,
9 however, if you do a comparative to where we were
10 before cutover, we are better than that level. It's
11 not the level that we need to get to or aspire to.
12 Q. I guess I'm reacting, Bryan, not to throw you under the

13 bus, but Bryan had said earlier that he thought we were
14 at "business as usual" levels right now on late orders,
15 or I thought that's what he said.

16 A. (Allen) I think its around the definition of "business
17 as usual" that I think Mr. Nixon mentioned in the
18 beginning, which was a comparative of today's
19 activities compared to what the customer experience was
20 pre-cutover. So, if you use that specifically, pending
21 verification of the different categories of the Verizon
22 numbers from that extract, you could draw that
23 conclusion. But I think we would all be in agreement
24 that there needs to continue to be improvement to get
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1 to where we need to get to.

2 BY MS. BAILEY:

3 Q. Can somebody tell me what percentage of pending orders
4 you would consider acceptable to be late?

5 A. (Allen) I could tell you from my perspective, I don't
6 know, I've really, quite honestly, never looked at
7 quite that way, but I think it's a good suggestion.
8 But I don't know, I'd be guessing at this point.

9 Q. Would you --

10 A. (Allen) I can look at it and give you a good estimate
11 of what I think that number should be.

12 MS. BAILEY: Okay. Thank you.

13 BY MR. LADAM:

14 Q. Mr. Lamphere, I believe you said that the task force of
15 seven working on late orders is "fully empowered to
16 resolve issues". Just what does that mean? Does it
17 mean you can go outside the chain of command and direct
18 people or groups to take actions? Does it mean you
19 have budget authority?

20 A. (Lamphere) So, "fully empowered" doesn't necessarily
21 include budget authority, but it does enable us to go
22 to various groups within the organization across the
23 Company and make changes to process. We can recommend
24 system solutions, have worked with Mr. Haga very, very
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1 closely to implement system solutions or a change to
2 those systems, and work very closely with all of the
3 provisioning groups across the Company, and the order
4 entry groups to streamline their processes.

5 MR. LADAM: Thank you.

6 RE: CUSTOMER ESCALATIONS

7 BY MR. HUNT:

8 Q. Some of the questions about late pending orders lead
9 right into questions that we have about -- excuse me --
10 customer escalations, so moving into that area. PUC
11 Staff has been contacted by customers who are
12 experiencing very long delays for installation of basic

13 POTS service. Can you explain why that would be
14 happening?

15 A. (Lamphere) Can you just repeat that question one more
16 time?

17 Q. Yes. PUC Staff has been contacted by customers who are
18 experiencing very long delays for installation of basic
19 POTS service, just getting a phone for their apartment,
20 for example. Can you explain why that would be
21 happening?

22 A. (Lamphere) Sure. I think that, you know, as we move
23 away from the cutover numbers that we had in place and
24 the inventory issues that we've reconciled, and
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1 systematically reduced the overall number of past due
2 orders, those issues are also reduced, they're being
3 reduced. But there are many contributing factors to
4 delays associated with POTS installs that are not
5 necessarily indicative of a problem. There are
6 facility issues. There are interfering station issues,
7 meaning that there's records that have not been
8 disconnected because the customer never placed a
9 disconnect associated with that current address. And,
10 there are delays due to address issues. All of the
11 issues we've discussed over the last couple of days
12 have contributed to that delay.

13 BY MS. BAILEY:

14 Q. So, in an example of somebody who's in an apartment,
15 that's not a new apartment, and they order service, and
16 they just can't get it. It's been over a month. What
17 does FairPoint do -- I can't imagine that's a
18 facilities issue, it probably isn't. It could be that
19 the customer or the former tenant who moved out of that
20 apartment did not disconnect their service. But, if
21 that's the problem, how long does the new person have
22 to wait? How do you deal with that problem?

23 A. (Lamphere) I'm actually not prepared to answer how they
24 resolve an order entry issue, if there's already
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1 service consuming facilities at that address that have
2 not been disconnected, I'm not sure what requirements
3 they have in place to perform a disconnect, if the
4 customer has not requested one.

5 Q. So, is it possible that there aren't -- there isn't a
6 process in place to deal with that?

7 A. (Lamphere) I would doubt that there is not a process,
8 but I'm not sure what that process is.

9 Q. Can somebody look into that and see?

10 A. (Allen) Yes.

11 BY MR. GOYETTE:

12 Q. Yes. Mr. Lamphere -- this is David Goyette, Steve.

13 Earlier you mentioned the rental community, the
14 apartment that was described in this situation, is that
15 the rental community?

16 A. (Lamphere) That's one example. What I was saying was,
17 a customer will place an order for service. They're
18 moving to a new apartment, let's say. But they have
19 not yet moved, and the other tenant has not yet
20 disconnected. So, we haven't moved from one apartment
21 to another yet, thus resulting in a delayed order.

22 Q. What I mean is, earlier you were describing orders that
23 can't be processed for various reasons, and you
24 mentioned as part of the categories the "rental
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1 community". What are some of the issues with the
2 rental community? Are those -- well, first of all,
3 would apartment dwellers be classified under "rental
4 community"? And, then, can we go into the response of
5 that further?

6 A. (Lamphere) Yes. I can't really classify apartment
7 dwellers in the rental community. I just mean, in
8 general, in the high volume POTS environment, there are
9 what I said -- I referred to earlier as "interfering
10 stations", meaning there is already a working service
11 at that address on that facility, and another order

12 cannot be processed against it until the first one is
13 disconnected.

14 A. (Allen) So very often, and let me speak specifically to
15 -- it can happen with anyone. It tends to happen very
16 frequently in a renter environment, an apartment
17 environment, because you have a lot of moving in and
18 out, particularly, obviously, at the beginning of the
19 month. So, if a customer that's moving into a
20 particular apartment orders service partially through
21 the month, for a point in time in the future that's
22 beyond the interval date, so the order goes in, we
23 can't complete it, nor does the customer want us to
24 complete it. So, it could be in a variety of
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1 categories that we're talking about, but likely that
2 order is going to be late, in a sense, because the
3 customer doesn't want it or need it prior to they're
4 moving in.

5 As Mr. Lamphere also mentioned, the line
6 is in use, in many instances, with the existing tenant
7 in that particular area. So, until they cancel their
8 service, we can't order the new service. So, in many
9 instances, this would not necessitate a customer
10 escalation, which is, I think, how it started. But, to
11 answer your question specifically, that's a normal

12 process that happens every single month, where people
13 are moving in and people are moving out. And, many
14 times somebody will take -- will think of things ahead
15 of time and order the service early, with a future due
16 date in mind. And, we'll complete that hopefully on
17 time, from the customer's perspective, but it might
18 show up as late.

19 In an escalation situation, you could
20 run into what Ms. Bailey mentioned, where, and we'll
21 find out the answer to the question, we can't utilize
22 that facility until the existing customer that's on it
23 cancels it. So, what happens if somebody doesn't
24 cancel it and the new person is moving in. We'll find
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1 out that particular answer. And, I don't know the
2 answer to that question.

3 BY MR. HUNT:

4 Q. Well, with regard to my question, I wasn't asking about
5 customers who might not want their phones turned on.
6 I'm asking about escalations, actually.

7 A. (Allen) Yes.

8 Q. Let me start with this. What is "business as usual"
9 for the number of escalations that you anticipate our
10 Commission, the Office of Consumer Affairs, should
11 have? What is that number?

12 A. (Nixon) Yes, let me, if I might. So, we believe that
13 somewhere around 50 escalations at any one time was the
14 pre-cutover level. That, in my mind, is obviously 50
15 too many, but that, we believe, represents
16 approximately what it was pre-cutover. Today --

17 A. (Allen) And, if I could just clarify that. In the
18 report that we did, the status update report, we put in
19 150 across the three states, which were 50 per state.
20 Where that originated from was in Vermont they gave us
21 a specific number of 50. We made an assumption that it
22 would be similar in the other states. Subsequent to
23 that, in New Hampshire and in Maine, the suggestion or
24 the comments were made that their normal process was
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1 less than that. I don't know if a specific number was
2 reached, but I think it was somewhat less than that,
3 somewhere probably in the 10 to 25 range would be
4 normal. So, for the purposes of this proceeding, what
5 we put in the report we thought to be accurate at the
6 time, based on input from one of the states. And,
7 we've since had discussions that would suggest that
8 that number in New Hampshire should be more 10 to 25,
9 versus 50.

10 Q. Well, I'll represent to you right now that three days
11 ago I was informed by the Office of Consumer Affairs

12 that the open complaints/escalations right now is at
13 190. And, that is the group of people that I'm asking
14 you about.

15 A. (Allen) Right.

16 Q. The people who are in that category are looking for
17 basic things to be resolved. Another example is
18 customers complaining about getting billed after
19 service has been discontinued for several months. And,
20 the question I have is, given that we have 190, at
21 least three days ago we did, open complaints, what is
22 happening to address those specific people who I can
23 tell you, when they call, are very upset and want
24 something done?

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1 A. (Allen) Okay.

2 Q. What is happening?

3 A. (Nixon) So, we did receive, let me go back to two
4 items. First, we did receive, I believe, a list so we
5 can reconcile against to see if it's 190. I show, as
6 of today, it's 130. Still substantially over what it
7 was before Cutover. We have assigned a escalation team
8 that reports up through Steve Rush, because that's
9 primarily billing related, therefore, in his area of
10 operations and responsibility. Kevin Shea is

11 responsible to track, manage and continue to drive to
12 resolution those PUC escalations within New Hampshire.
13 And, he is responsible, understand and drive to the
14 resolution of each individual one. So, I do know there
15 are instances, as you just described, where people have
16 had service disconnected and they continue to receive a
17 bill that are on the escalation list. And, our effort
18 right now is to drive those to zero. And, we're -- as
19 of right now, I would expect that by tomorrow we will
20 be down to -- there will be no escalations that predate
21 June. That is, again, not at our aspirational goal.
22 That is -- that is the concerted effort we're making to
23 get the customers the service they desire.

24 BY MS. BAILEY:

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1 Q. No escalations that are more than two months old?
2 A. (Nixon) I didn't say that was our aspirational goal.
3 Q. No, I know. That's what you said that, by tomorrow, we
4 won't have any more that are more than two months old.
5 So, --
6 A. (Nixon) I down to, right now, I'm showing six that are
7 -- that predate June. And, we're going to try to get
8 those all resolved by tomorrow.
9 Q. Right. But, then, how many do you have in June and
10 July? Because that's, I mean, for the ones in June are

11 getting pretty old.

12 A. (Nixon) Right. I've got eleven in June. We actually
13 think there are eight, because one of them is an old
14 AT&T customer who doesn't think he should be billed at
15 all. So, I'm sure that that would be one that really
16 should be a -- how that will be resolved, because we
17 think he should be billed. There are eleven in June
18 that are on the record, we think there are eight. And,
19 we're working to get those closed equally quickly. I
20 show, as of today, that there's 113 in July.

21 Q. Okay. So, what is your aspirational goal for the
22 length of time it should take to get a complaint that's
23 been escalated to the PUC resolved? How long should
24 that take?

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1 A. (Nixon) So, two things. I believe that, now with our
2 call centers back at pre-cutover levels, that our
3 request is that customers call us first and let us
4 address the issues they have before they bring them to
5 you and give us a chance to do that.

6 Q. Well, that's the rule. And, I believe that our
7 Consumer Affairs Division always says "have you
8 contacted the Company first?"

9 A. (Nixon) So, again, thank you. And, that our objective
10 is to get these cleared within 24 hours. And, I do not

11 have a date by when I can give you that we'll be at
12 that 24 hour level. We are -- It is dramatically
13 improved from where it was. It is not at the level
14 that we had before cutover. It is -- It still remains
15 an indication from our customers that they are
16 dissatisfied with some form of service. And, we
17 absolutely recognize that. There is a team that's
18 dedicated to -- well, two things. First, we don't want
19 them to call. And, then, when they do call, we want to
20 be able to get their concerns addressed within 24
21 hours. First, what we would like to address is the
22 root cause so they don't call.

23 BY MR. HUNT:

24 Q. Well, perhaps you can understand why it's difficult for
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1 me to see, if three days ago there were 190 pending
2 complaints with the New Hampshire Commission, whether
3 or not those are given -- those particular problem
4 orders and issues are given priority over other orders.
5 And, if they are, how are they given priority over
6 other orders? I don't see the distinction between how
7 FairPoint treats these, versus other late pending
8 orders or other issues. Can you explain that?

9 A. (Nixon) Yes. Subject to check, and I'll ask Mr. Murtha
10 and Mr. Lamphere to help, I believe we looked at four

11 basic categories of the priority. One would be PUC
12 complaints; two would be Homeland Security; three would
13 be medical need; and four would be what we call
14 "executive escalation". Medical need, and I'm not
15 sure, and I'll let Mr. Murtha tell me which of the
16 orders that we take them in, but those we tend to treat
17 as a -- as, you know, the most important four
18 categories.

19 A. (Murtha) As Mr. Nixon said, the first and foremost is
20 TSB or Homeland Security. Those escalations, whether
21 they come in through the PUC, from a wholesale
22 customer, or from an end-user, are the first orders in
23 the escalation chain. The second would be medical
24 emergency. And, we work with the customers, we
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1 understand the necessity of the medical emergency, and
2 we place those orders in service. The next would be
3 something deemed a necessity by the state for fire,
4 police, medical-type facility. Then. We go into PUC
5 and executive escalation, and then we follow our normal
6 escalation process after that.

7 Q. How many Homeland Security escalations do you receive
8 on the average day?

9 A. (Murtha) A couple.

10 Q. A couple?

11 A. (Murtha) Yes, sir.

12 Q. On average?

13 A. (Murtha) Yes, sir. It's not just Homeland Security,
14 it's also TSB, that have a TSB designation already
15 assigned to the order.

16 Q. And, how many medical emergencies?

17 A. (Murtha) Medical emergencies, we probably get about a
18 dozen on a daily basis.

19 Q. And PUC complaints?

20 A. (Murtha) New PUC complaints on a daily basis? I would
21 go guessing at what that number is. It's different on
22 the individual day.

23 Q. I may have missed this previously, but I really want to
24 know this. Who is in charge of the escalation group?

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1 A. (Murtha) As Mr. Nixon said, Mr. Rush owns the
2 escalation team. It falls under a director of Ms.
3 Peters, and she has a management team assigned to it.

4 Q. Can you take us through the process that team uses to
5 deal with an example, a very specific example of an
6 escalation?

7 A. (Murtha) Sure. Let's say, for instance, we'll take a
8 medical emergency that comes in. We have a -- whether
9 it's through a wholesale provider or through a retail
10 provider, that we have a person that's going to be

11 coming home from the hospital. They have to have
12 lifeline put in, you know, standard interval needs to
13 be waived, because we have to get this in, it's a
14 medical emergency. They have to be able to monitor
15 them for cardiac, etcetera. So, what we'll do is we'll
16 get that, we bring it in as an escalation. We get the
17 order into the system. They will contact the
18 provisioning organization, the dispatch organization,
19 to coordinate a dispatch to get that facility put in
20 and assigned. We would waive the standard interval, so
21 that we would meet the commitments, so that we can
22 necessitate the facility for the end-user.

23 Q. Describe a PUC complaint.

24 A. (Murtha) Again, with a PUC complaint, dependent upon
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1 what the order type was, business, resident, etcetera.
2 We would bring in the facility, we would take a look at
3 the complaint. You know, is it a billing dispute? We
4 would have -- the escalation team would take a look.
5 They would contact a member of the billing team to have
6 them review the bill and process the dispute. If it
7 was a request for new services, that was not under a
8 medical emergency or something and was within the
9 standard interval, first, we would look to see if there
10 was an order that already existed in the system,

11 because the customer, as was suggested earlier, was
12 supposed to contact FairPoint first. We would look at
13 the status of that order to see what was holding up the
14 order and what necessitated us having to get an
15 escalation from the PUC. Work with the downstream
16 organization to get that cleared and provide the
17 service to the customer.

18 BY MS. BAILEY:

19 Q. And, what happens if there's no order in the system,
20 because the CSR couldn't place the order in the system
21 because the person before them didn't disconnect
22 service?

23 A. (Murtha) We have had, obviously, where we had a paper
24 order process in the past to get orders in to provide
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1 service, I'm not aware of what happens if the customer
2 didn't, as Mr. Allen said, we'll get you an update on
3 that. You know, if, in the past, if somebody had to
4 work a line and we were adding another line, you know,
5 we would need to get another pair in there. So, you'd
6 have to run an additional inside wire, but we'll get
7 you an update on that. But we work each one of these
8 escalations and orders individually, and work them
9 through to resolution.

10 Q. And sometimes, when it's hard, does it just sit?

11 A. (Murtha) If it's hard, you know, the difficult takes
12 time, the impossible a little longer. Nothing just
13 sits. We don't say "we're not going to service this
14 customer because it's hard." That's where we would
15 reach out to Mr. Lamphere's SWAT team. If there's a
16 difficulty that we can't get the order through the
17 system, we've worked processes with Mr. Lamphere's SWAT
18 team to hand-hold the order through, to make sure that
19 we're able to get it to resolution. Some orders take a
20 little bit longer, but we continue to work them
21 through.

22 Q. I'm just trying to figure out in my own mind why an
23 order for POTS service in an apartment from June could
24 possibly take so long?

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1 A. (Murtha) It's possible, you think of the facility into
2 the apartment building, that that facility is standing
3 there, but the cable going to the apartment building
4 might not have facilities left because there was only a
5 few pairs left and they could have been dropped off at
6 other homes or residences prior to the apartment
7 building.

8 Q. And, how long would it take you to figure out that that
9 was the problem?

10 A. (Murtha) That would be a "no facility" issue. That

11 should be able to be determined pretty quickly by the
12 technician out there that there was no cable pairs to
13 assign to.

14 BY MR. LADAM:

15 Q. Would it take the technician arriving to find out that
16 there were no cables assigned? Shouldn't that be in
17 your inventory system?

18 A. (Murtha) They should be able to do that in the
19 Assignment Provisioning Center.

20 Q. Do you have issues where it is not in the provisioning
21 system?

22 A. (Murtha) No. What there is a -- the Assignment
23 Provisioning Center will look to assign. They will
24 also take the opportunity, if there's some spare pairs
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1 left, they might go out there and try to assign to get
2 that to work, and that pair might not be good, it might
3 be a bad pair. The technician will then try to clear
4 the pair to see if they can provide facilities. They
5 will try to do line in-station transfers, so that they
6 can drop it off previously and extend a pair to get to
7 that customer. There's multiple attempts that they
8 will make to get that facility to the customer.

9 Q. My understanding is that there's sort of an

10 industry-wide issue with the inventory of those loops
11 not being perfect in anybody's phone company. And, I
12 guess is your view that you're better -- that you don't
13 have an unusual problem there? That you're about where
14 you would expect to be or --

15 A. (Murtha) I would say that we do not have an unusual
16 problem. That our inventory is, you know, it is what
17 we picked up and it's what we have to assign to, and
18 what our Assignment Provision Center has on their
19 records.

20 MR. LADAM: Thank you.

21 BY MR. HUNT:

22 Q. With regard to the PUC escalations that I mentioned,
23 how familiar are each of you with the stories of the
24 individuals who have submitted those complaints? Do
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1 all of you have some familiarity with the details of
2 the problems that FairPoint has caused these people?

3 A. (Murtha) Yes.

4 A. (Allen) Yes.

5 A. (Nixon) Yes.

6 Q. And, knowing that, what is it that FairPoint has done
7 to respond to these customers, other than the process
8 that you described for escalations, if anything?

9 A. (Allen) Let me respond to that. The primary -- we've

10 done two things. And, one is a tactical thing to
11 attempt to take care of that particular customer, and
12 the second one, which is more important, takes care of
13 all other customers that might be like that person at
14 some point. I think what we talked about on Tuesday
15 and the early part of today are all the things that we
16 have done and are continuing to do to try to eliminate
17 those particular escalations. The escalations come in
18 a couple of buckets. The primary one is billing.
19 There's a billing question or issue. Second one is
20 order flow. And, it's "I did not get my service or my
21 completed service when I wanted it." So, the primary
22 focus has been on correcting those root causes, which
23 gives every customer a better experience and you
24 eliminate that. The item that was mentioned before, as
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1 far as the escalation team, we've tried a couple of
2 different ways to handle that. We've restructured a
3 couple of times between March, when there was not a lot
4 of control routed, and escalations were coming in at
5 different places. Didn't have the prioritization that
6 Mr. Murtha described, and they were not responded to
7 well at all. We moved it into a more structured
8 environment. We kept a, I think, fairly accurate list
9 of, as far as we knew, a very accurate list, of all the

10 different escalations, categorized them, providing
11 reporting out to the states on a twice-a-week basis.
12 So that, if there was any discrepancies, we could get
13 that resolved.

14 The biggest issue we found with that,
15 and this is kind of the tactical piece, was many of
16 those people were not customer service reps. They
17 couldn't take the action necessary to fix the problem.
18 They could do the research. They could contact the
19 customer. We could make things better. But, then,
20 they needed to go to somebody else to fix the problem.
21 So, one of the things we did within the last 30 days
22 was we moved that function over. And, as Mr. Murtha
23 mentioned, there's a director specifically assigned to
24 that in Steve Rush's organization, her name is Mary
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1 Peters. She has a management team that she has, and
2 one of those managers also was directly moved over
3 there, her name is Deedee Landry. And, we currently
4 have 15 of the customer service reps focused on getting
5 this down to the pre-cutover levels. Because, as you
6 pointed out before, Mr. Hunt, it is not there today.

7 So, I -- And, the 15 people that are
8 currently assigned to escalations, the good news about
9 them is they are trained customer service reps, they

10 are the folks that do the work. And, when they
11 identify and reconcile a problem with the customer,
12 they can take the action within the system to complete
13 the entire transaction. So, that is why I feel much
14 more confident today in our ability to get down to the
15 pre-cutover levels very quickly, because I think we
16 have not only enough resource, but the right resource
17 addressing. I have talked to, I'm going to say almost
18 daily, I've talked to at least one of those customers
19 you're referring to, sometimes more than that. They
20 have, in most instances, have legitimate reasons why
21 they've complained. And, in the past, it's taken us
22 far too long to get that fixed. And, both the speed of
23 fixing it and the resources necessary to fix it, I
24 think are now in place.

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1 Q. I have one follow-up to that, and then Mr. Goyette has
2 a follow-up. What was the average time to complete an
3 escalated order pre-cutover?

4 A. (Allen) I don't recall. I believe, originally, back in
5 April, I knew that number, I don't recall what it is
6 off the top. It is available though, I can get it for
7 you.

8 Q. We'll just add that to the numerous pending questions

9 that we have. In addition, what is it now?

10 A. (Allen) I don't know, but we can get that as well.

11 Q. That would be useful. What is --

12 MR. HUNT: I'm sorry, David, go ahead.

13 MR. GOYETTE: No, that's okay.

14 BY MR. HUNT:

15 Q. What is process for declaring a customer escalation
16 issue closed?

17 A. (Nixon) Yes. I don't know the mechanics of that. But
18 I should be able to have that when we get back from
19 lunch to be able to provide that for you.

20 MR. HUNT: Thank you.

21 BY MR. GOYETTE:

22 Q. I'm not sure exactly who to address this to, but maybe
23 you, Mr. Allen, or Mr. Nixon. Earlier, Mr. Nixon, you
24 said "130" was the current count of our escalations, I
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1 think that's the same count that we had two days ago,
2 when our system also showed 190. So, I think the
3 variance is still the same as what it was a couple of
4 days ago. We're trying to figure out what might be the
5 source of issues. And, in doing so, the system sounds
6 okay, but I'm just curious, how do the escalation
7 members follow up to ensure that the team members that
8 they communicate with, for instance, in one example,

9 the escalation team might talk to a billing team
10 member, but how is the follow-up made from the billing
11 team member back to the escalation team member to
12 follow up? And, then, how is communication made back
13 to the customer to let the customer know what the
14 progress is in their issue? And, how do you

15 communicate with the customer, if they don't have
16 service in the first place?

17 A. (Allen) Well, typically, in the escalations, in most
18 instances, there is a contact mechanism that the
19 customer defines. In many instances, it's a cellphone.
20 In some instances, it's a different phone number of a
21 relative or somebody that's in the vicinity. In many
22 instances, a lot of the escalations are not, as a
23 matter of fact, in most instances, the customer is not
24 out of service. They may not have all of their
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1 services completed or they have a question about
2 billing, but they do have service.

3 I would -- in any one that I've ever
4 been involved in, there was a vehicle, except one,
5 there was a vehicle for me to contact the customer.
6 And, in the one instance where there wasn't, the
7 customer had my contact information and had a,
8 therefore, a way to contact me to provide updates.

9 After the work is done, and in some instances it does
10 require going outside to the provisioning group or some
11 other group within FairPoint, in some instances again,
12 the customer service rep has access to all of the
13 customer information. And, in many instances, they can
14 handle and research and respond to the customer without
15 going to anyone else. It requires their time to
16 research the situation, but they can do it themselves.
17 After they have resolved the issue, the process would
18 be for them to contact the customer, get an assurance
19 that whatever was done is done, and then we send back a
20 confirmation, in the case of the PUC, back to the PUC
21 saying it's completed. In the biweekly reports that we
22 provide, we provide both all the closed escalations, as
23 well as the open escalations. So, if there's a
24 question, you know, you had one there and you weren't
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1 sure if it was still pending, it should be in one of
2 those two categories. It kind of starts at the
3 beginning, and you have to look for it, but it's there.
4 I don't know if that answers your question.

5 Q. Well, is a CSR -- not the -- is it the CSR or the
6 escalation team that gets referred to when we have --
7 when we receive issues here in Consumer Affairs, and

8 the issue then go to FairPoint, it's goes to an
9 escalation team, right?

10 A. (Allen) That's correct.

11 Q. Okay. Does the escalation team have a responsibility,
12 are they required to follow up with the customer, even
13 if the issue is not resolved, to at least let the
14 customer know where the process is?

15 A. (Allen) In the instances I've been involved in, the
16 answer to that is "yes". I think Mr. Nixon was going
17 to talk -- find out more about the specific mechanics
18 of how that works, and we'll let you know after lunch.
19 But any one I've been involved in, yes. The customer
20 is contacted and updated on the status.

21 Q. And, then, the other question that I had, which I
22 stated was, when an escalation team member goes to a
23 member of another part of the organization, maybe it's
24 provisioning, maybe it's billing, whatever the issue
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1 is, do they have a responsibility to get a follow-up
2 from that other team member? And, if they don't, do
3 they follow up with that other team member to see what
4 the story is?

5 A. (Allen) Yes. Each escalation, and just to be clear,
6 because it may have been cloudy before, I mentioned

7 customer service reps. The customer service reps are
8 now the employees that are part of the escalation team,
9 but they are a separate, dedicated team. They are the
10 customer and/or the PUC or the escalated group's
11 interface. So, whatever they need to do behind the
12 scenes, if you will, going to the provisioning group or
13 going to a different group, they have the
14 responsibility to do that, but that group they go to is
15 not -- would not contact the customer. That customer
16 service rep of the escalation team has it. Each
17 account, as it gets logged in, is assigned a specific
18 person. So, typically, what you would find, if you
19 talk to somebody that escalated something, they will
20 have a name, they will have the name of the person that
21 helped them or they were working with.

22 Q. That I'm clear with, the escalation or the customer
23 service rep that worked with the customer with an issue
24 or the potential customer will be the contact person.

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1 What I mean is, does the escalation team, are they
2 responsible for following up with the other FairPoint
3 team members to see what's going -- if they don't get a
4 response a couple of days later, or whatever the
5 timeline is for which they're required to get a
6 response, do they follow up with that other team

7 member?

8 A. (Allen) Yes.

9 Q. And, if they don't, they pursue it and --

10 A. (Allen) They would escalate it within their
11 organization the same way. And, there's a high level
12 of focus on this area. It's not an area that we're
13 back to normal on. And, it's a very high visibility
14 area. So, if they need to escalate something, it gets
15 a lot of attention.

16 MR. GOYETTE: Thank you.

17 MR. HUNT: Okay. We'll break for lunch
18 until 1:30.

19 (Whereupon a lunch recess was taken at
20 12:35 p.m. and the technical session
21 reconvened at 1:48 p.m.)

22 MR. HUNT: Mr. Nixon, go ahead with your
23 update.

24 WITNESS NIXON: Thank you. There were
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1 two questions that were asked of me, I tried to get back
2 and update following lunch. The first was with regards to
3 an apartment complex, where the question was "what would
4 we do in the instance where the party who was leaving,
5 those records were still existing, and a new person wanted
6 to go into the apartment? The order would essentially,

7 for the new entrant, would be issued and processed. It
8 would go downstream and find that there were what we call
9 "interfering stations". And, that is that there's a
10 conflicting inventory and they can't be assigned. That
11 record would then be what we call "reject", and passed
12 over to what we call "CSRC", it's the group in Manchester
13 that works those orders. They then -- They take one of
14 several paths to resolve. One path would be to call the
15 person who was the current resident of the apartment,
16 "When are you going to leave? Can you please process your
17 order? We have somebody who wants to move in. We'd like
18 to get this thing processed." Absent that, they call the
19 landlord, if they can't reach the prior tenant. "We have
20 somebody that wants to move in, but we can't process that
21 order until we get a disconnect." And, so, there is a --
22 there is a very rigorous process we use to exhaust
23 everything we can to get that service into the apartment.

24 Now, I'm not sure about the instant case

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1 that, Kate, you were referring to. We'll find out if that
2 -- it doesn't sound like that was what it was, but we'll
3 certainly find out. But, in most cases, we're able to
4 resolve through that communication process. We contact
5 the person moving out, we contact the landlord. The team
6 in Manchester actually takes, you know, does everything

7 they can to try to resolve it with phone calls and
8 contacts.

9 The other question was with regard to
10 the question you asked on, "when we close out an
11 escalation and what's the communication that takes place
12 between that team and the customer?" No escalation is
13 closed before the customer is satisfied. It remains open
14 until the customer tells us it is closed in the customer's
15 eyes. We then communicate with the Staff to indicate
16 that, from the customer's perspective, that escalation is
17 closed. We don't close it until the customer signs off.
18 Our CSRs are teamed that are processing and handling the
19 escalations are assigned the escalations, they own the
20 escalations through closure. They own that escalation.
21 That means they will own it through the organization, they
22 own it to communicate with the customer. The objective
23 today is we contact the customer within 24 hours of
24 receipt of the escalation, and that we will proactively

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1 follow up and communicate with that customer, primarily
2 driven by the needs of the customer. It depends on how
3 complex it is or how long it -- how late it is. Someone
4 will be communicated with on a fairly frequent basis.
5 Others, you can call me back in a couple days to let me
6 know, tends to be fine. We let the customer pretty much

7 dictate the frequency of that communication. And, again,
8 our reps own it completely through, including escalating
9 it or moving it throughout the organization. And,
10 literally, every morning the senior team at FairPoint
11 looks and grooms through the escalations to make sure
12 they're moving as quickly as we can.

13 The other question we were asked was
14 "how quickly can we move them?" And, "are you moving them
15 fast enough?" Certainly, that process has improved, it's
16 gotten better, not where we want them to be, but the rigor
17 and the discipline and the process in place I think will
18 get us to where we want to be much more quickly.

19 I've asked the question, and we'll need
20 to get back on, in terms of "how long would we expect it
21 would take for, under normal circumstances, to close out
22 the escalations?" Whatever's normal. You know, a lot of
23 the billing questions can be done, as Mr. Allen indicated,
24 on the phone with the rep. The rep has the authority to

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1 go in and make the decision into the system, they can make
2 it at that moment. If it's something else that takes
3 longer, that will take longer just to go through, if it's
4 construction build or something, it might take longer.
5 But I understand your question and we'll seek to get the
6 answer.

7 MS. BAILEY: Thank you.

8 WITNESS NIXON: That was my update.

9 MR. HUNT: Thank you. Just a follow-up
10 on that.

11 WITNESS NIXON: Certainly.

12 BY MR. HUNT:

13 Q. So, if each calculation has its own CSR, how many CSRs
14 total are addressing escalations?

15 A. (Allen) Fifteen.

16 A. (Nixon) I think, as Mr. Allen said, there are 15.

17 Q. And, is that for this state or for all three states?

18 A. (Nixon) For all three states.

19 MR. HUNT: Okay. Thank you.

20 RE: GENERAL SYSTEMS ISSUES

21 BY MR. HUNT:

22 Q. Since we're kind of trying to follow along, as I said,
23 the status report, what we're calling this section is
24 "General Systems Issues". Since cutover FairPoint
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1 hired Aricent for help with the systems supporting call
2 centers. As discussed on Tuesday, there's been
3 improvement in call center performance. Do you plan to
4 bring in -- excuse me -- Do you plan to bring in
5 outside consultants to improve performance in systems
6 supporting other parts of the business?

7 A. (Haga) Vicky Weatherwax --

8 [Court reporter interruption]

9 BY THE WITNESS:

10 A. (Haga) Her name is Vicky Weatherwax. It's spelled as
11 it sounds. We've already had conversations about her
12 role and how -- her activities to look for others,
13 other improvements, such as what Aricent assisted us
14 with. And, just for clarification, what Aricent did,
15 they didn't look at it from an underlying system or
16 code perspective, they viewed it more of system use.
17 And, so, it was if the system performed its function,
18 but it performed its function in not a highly efficient
19 manner, meaning it captured all the information that
20 was required, just the navigation through the various
21 screens inside of Siebel wasn't -- wasn't great.
22 Aricent, that's -- a typical exercise that they will do
23 is they will come here after somebody deploys
24 something, and that will be the fine tuner. You know,
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1 so they will get the application, squeeze some minutes
2 out the process and so forth.

3 To answer the question, are we going to
4 bring others in? That's a decision for Vicky, but my
5 understanding is that is her intent. I've provided her

6 with some companies that I have dealt with in the past
7 that I'm familiar with their experience in the
8 different applications. So, she'll -- that's her task
9 to complete. And, the expectation is is we'll continue
10 down the chain of applications, so our next target will
11 be Metasolv.

12 Q. What role have problems with data transferred from
13 Verizon at cutover played in FairPoint's service
14 problems?

15 A. (Haga) That was a significant role. Primarily, order
16 processes, order fallout, for an order to flow through,
17 you know, throughout the process, you know, of
18 assigning facilities, whether it's a physical plant or
19 logical, you're going to various sources of
20 information, and you're dependent upon that order to go
21 all the way through so that all those sources of
22 information are correct and accurate. So, we might
23 have -- if you have pockets in different portions of
24 the network, different portions of addresses, and so
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1 forth, any one of those could impact an order. So, it
2 was -- we did have address issues. We did have some
3 inventory issues, where we either didn't convert the
4 inventory correctly or we didn't apply the appropriate
5 business logic for that inventory on how it was used.

6 We were missing PVCs. We were missing some, oh, those
7 were the primary misses that caused a majority of the
8 issues with the orders.

9 Q. Does FairPoint -- excuse me -- does FairPoint have
10 access to Verizon personnel in resolving any data
11 accuracy or data interpretation issues? And, if so,
12 has their help been effective?

13 A. (Haga) We've had access. Now that we're so far removed
14 from the actual conversion, even our own dependency of
15 going back to the converted data to address issues
16 becomes less and less of a -- something that helps us.
17 Because the business changes that -- our data has
18 changed quite a bit since the actual cutover process.
19 The only activities right now that I'm aware of that
20 we're still engaged with Verizon is directory listings.

21 Q. And, what is happening with the issue on the directory
22 listings?

23 A. (Haga) Directory listings, at cutover, we received
24 their out-of-franchise listings, and they kept ours.

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1 So, basically, we got their listings in the three
2 states that should have been in their books. You know,
3 so their listings should have been in their data, their
4 listings were in our books, they should have been

5 stated in their books. So, we flip-flopped it. You
6 know, we, basically, we got their date, and they got
7 our data, and we're working to reconcile that to get
8 that cleaned up.

9 BY MR. FALCONE:

10 Q. Mike, could you a little bit, I don't -- when you say
11 -- did they keep the data for the three states, and you
12 got the data for New York and New Jersey and
13 Pennsylvania, is that what you're saying?

14 A. (Haga) Correct, for foreign listings.

15 Q. Oh, just for foreign listings?

16 A. (Haga) Just for foreign listings.

17 Q. Okay.

18 A. (Haga) So, they have somebody that has their business
19 and operates in Massachusetts, but they want to have
20 their listing in our book, you know, --

21 Q. Thank you.

22 A. (Haga) They get that, and vice versa.

23 MR. FALCONE: Thank you.

24 MS. HOLLENBERG: Rob, could I just

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1 follow up? I'm going to ask a couple of questions about
2 Aricent, since you just answered some.

3 BY MS. HOLLENBERG:

4 Q. What, you know, just I believe that Aricent, would it

5 be fair to categorize their work as a consultant on the
6 front-end of the systems?

7 A. (Haga) Are you questioning the business that Aricent's
8 in or the project that they supported us with?

9 Q. The project that they worked with you on.

10 A. (Haga) Okay. With regards to the project, yes. They
11 were there to support us to, you know, "what can we do
12 to improve the performance and experience of a customer
13 service rep inside of our Siebel application? Which is
14 our front end.

15 Q. Okay. And, do they have any expertise in dealing with
16 other aspects of the systems that you work with?

17 A. (Haga) Here's where you've got to explain just Aricent
18 and some of the other companies that are out there that
19 perform this function. They are a consulting firm, but
20 not everybody on their actual payroll may have that
21 experience. They will reach out into the global
22 community of independent consultants and reach out for
23 that type of expertise and experience.

24 Q. But FairPoint did not retain them to do any work other
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1 than the front-end work?

2 A. (Haga) Correct. Right now, they are under no contract
3 with us.

4 Q. And, that was on Siebel?

5 A. (Haga) Correct.

6 Q. When did Aricent start working with FairPoint?

7 A. (Haga) I don't recall the date.

8 Q. I think the -- my recollection is that September was
9 referred to on Tuesday. Would that have been September
10 of 2008?

11 A. (Haga) No, September was referred to that that's when
12 we expect to complete the recommendations that were
13 provided by Aricent.

14 Q. Okay. So, September 2009?

15 A. (Haga) Correct.

16 Q. Is it -- Did you begin working with Aricent before
17 cutover or after cutover?

18 A. (Haga) It was well after cutover.

19 Q. Okay. Thank you. And, one of the representatives of
20 FairPoint mentioned on Tuesday that FairPoint decided
21 to implement 380 or thereabouts of Aricent's
22 recommendations. How many in total recommendations did
23 Aricent make and FairPoint did not decide to implement?

24 A. (Haga) Those were the specific ones inside of Siebel.
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1 They had some general suggestions, next steps, some of
2 which we were already in progress with. So, there
3 wasn't a specific -- and that 380 listed that we're
4 referring to, those are some very specific things

5 inside of Siebel to change, simple as "move this box,
6 instead on the left-hand side, move it to the
7 right-hand side." "Change the name of this tab to
8 this, because it's more reflective of the business."
9 So, even though the number sounds large, some of these
10 things are very small. You know, but it does improve,
11 and again, we were trying to get morale issues, as well
12 as performance issues.

13 You know, so the other items that they
14 didn't have, one, they weren't supposed to be focusing
15 on it, so they had some other recommendations for next
16 step. So, it's a little combination of "okay, you
17 might have some of these problems downstream." So, in
18 some regards, it was, you know, preparing for a
19 potential opportunity for more work.

20 MS. HOLLENBERG: Uh-huh. Okay.

21 BY MS. HATFIELD:

22 Q. I think you said that Metasolv is the next application
23 on the list, is that correct?

24 A. (Haga) Correct.

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1 Q. Do you think that you'll be working with Aricent to
2 address the Metasolv issues?

3 A. (Haga) Thinking -- they're a potential option. I'd
4 rather look for -- there's other companies out --

5 Metasolv is going to be a harder one, only because a
6 majority of the implementations of that are more global
7 in nature than in the United States. There's other
8 companies, though, that have that expertise. I'd
9 rather look and evaluate other companies and some of
10 the other previous projects, before just committing to
11 Aricent.

12 Q. I want to also follow up on your response to Attorney
13 Hunt's with respect to Verizon data. And, you just
14 talked about directory listings, and I believe on
15 Tuesday you also discussed that. And, I think, on
16 Tuesday, you said -- you thought that there were a
17 couple of conversations with Verizon about data issues.
18 Do you recall that testimony?

19 A. (Haga) I recall mentioning, not specifically, if it was
20 a couple or three, but I do recall.

21 Q. And, you gave -- I think you gave directory listings as
22 an example, is that correct?

23 A. (Haga) That's correct.

24 Q. What were the other data issues that you discussed with
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1 Verizon?

2 A. (Haga) I'll need a time frame.

3 MS. HOLLENBERG: Since cutover.

4 BY THE WITNESS:

5 A. (Haga) Since cutover? Their network inventory, we had
6 some questions, network inventory, some customer
7 records, inventory as it relates to circuits that
8 terminate outside of the three states. It's just
9 primarily -- primarily network, secondary would be
10 customer information, just some accounts. Accounts
11 specific in the large business area, because those are
12 the customers that have business in more than just our
13 states, and some of the activities to split those
14 accounts.

15 A. (Nixon) We did, if I might interject for a second, for
16 those areas of the business that we did not have prior
17 to cutover, but came as the result of cutover, we did
18 have follow-up sessions with Verizon personnel as -- it
19 was following cutover, to see if we could garner any
20 information or support on how they were running their
21 business and how they were most efficient and
22 effective. So, again, those are driven on those areas
23 that were new to us, and seeing if we could, in our
24 process to continue to improve, reached out to them to
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1 get some help.

2 BY MS. HOLLENBERG:

3 Q. How many of those conversations did you have with
4 Verizon?

5 A. (Nixon) I don't have a precise, but I know, through
6 Karen Mead's organization, she worked through all of
7 her teams, and then worked with the counterparts at
8 Verizon. And, we could probably get you the number,
9 but it was well received and it was provided to us.

10 BY MS. HATFIELD:

11 Q. And, is that still ongoing?

12 A. (Nixon) I can't tell you if it's ongoing. I don't
13 think at this point it is. But that was probably 45,
14 60 days ago.

15 Q. Were there any data issues related to cutover where
16 Verizon was not willing to assist FairPoint?

17 A. (Haga) I don't recall any.

18 A. (Nixon) I'm not aware of any.

19 Q. Okay. With respect to inventory, Mr. Haga and
20 Mr. Lamphere, I think I've heard you both talk about
21 "physical inventory", and then I think you used the
22 term "logical inventory". That there were physical
23 inventory issues and logical inventory issues. And,
24 Mr. Haga, could you just explain the difference between
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1 those?

2 A. (Haga) "Physical", meaning that there is an actual
3 device, interconnection device. The "logical" is, you
4 know, a network, especially in your higher end

5 equipment, has a path that goes through the device that
6 will connect, you know, one port to another port,
7 you've got to go through that piece of equipment.
8 That's the logical piece of it. So, it's more of the
9 electronic path, versus the physical path.

10 Q. So, I can understand pretty easily that, if you have a
11 physical inventory problem, I think what you're saying
12 is "we either don't know what we have or we thought we
13 had more than we did" or something of that nature, that
14 physically it's not available or it's not there, is
15 that correct?

16 A. (Haga) I'm not sure I understand the question.

17 Q. If you thought that a certain wire was in a certain
18 central office and it wasn't there, that would be a
19 physical inventory problem?

20 A. (Haga) Correct.

21 Q. But, on the logical side, at least the term that you
22 use, the "logical inventory problem", can you say in
23 layman's terms what that means? If a logical inventory
24 is an electronic path, can you give an example or just
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1 explain, you know, what you mean when you say a
2 "logical inventory issue"? Do you mean the network
3 malfunctioned or, you know, just help me understand
4 that.

5 A. (Haga) Not a malfunction, it's -- one of the biggest
6 areas we had was our virtual circuits. You know, so
7 you are carving out a network inside of the network,
8 but it's through the use of electronics and not a
9 specific set of wires or a specific set of equipment.
10 Does that help?

11 Q. Yes.

12 A. (Haga) And, with physical inventory, the other
13 challenge we have, I believe it was to some points made
14 earlier, any inventory system throughout time doesn't
15 always necessarily reflect what's out in the network.
16 So, we've got the challenge of pre-existing reflections
17 of our inventory that's not reflective of what's
18 actually in the network, versus stuff that we
19 introduced via the conversion. You know, so
20 differentiating between the two, when you're looking at
21 root cause, is a challenge.

22 Q. But, as far as you know right now, are there more
23 physical and logical inventory problems than you
24 expected before cutover?

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1 A. (Haga) From a conversion standpoint, yes, there were --
2 we experienced more problems than we were expecting,
3 just based on previous runs of the conversions
4 themselves.

5 Q. And, by -- you say "based on runs", is that the
6 testing?

7 A. (Haga) Correct.

8 MS. HATFIELD: I think that's all we
9 have for follow-up right now. Thank you.

10 MR. LADAM: Thank you.

11 BY MR. LADAM:

12 Q. Mr. Haga, I think you said that it's common for
13 companies to use a firm like Aricent to fine-tune a
14 system, a new system like this. Was that part of your
15 original plan or was the original assumption that the
16 work that Capgemini did would not need to have a third
17 party come in?

18 A. (Haga) The original assumption was that there would be
19 a team in place. There would be future work. The
20 original staffing that was determined by my predecessor
21 was based on, you know, there would be a limited number
22 of staffing, and, where we needed assistance, we would
23 bring in contractors for a particular application based
24 on project needs and so forth. So, there was some
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1 contemplation for that.

2 MR. LADAM: Thank you.

3 WITNESS HAGA: You're welcome.

4 BY MR. HUNT:

5 Q. Please describe the steps you took prior to cutover to
6 test the processes you used to correctly interpret and
7 place the Verizon data in your systems.

8 A. (Haga) All right. I'll try to do this. Are we
9 specifically talking about the conversion itself?
10 Okay. With the conservation, we did, originally, per
11 the agreement with Verizon, we were going to do
12 two-fold extracts with Verizon. That, throughout the
13 course of the project, that actually extended, you
14 know, to four. Partly because we extended the
15 timeframe of the TSA period, which allowed us an
16 opportunity to further refine testing.

17 In the conversion process, we would take
18 -- Verizon data would come into our facilities, and we
19 would load that directly into a database, with no
20 transformation whatsoever on the data, just to get it
21 into our facilities, land it, and dropped into a
22 database. From there, the exercise would then go
23 through the conversion programs that will actually
24 begin to either massage, add additional information or
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1 remove information we didn't need and drop it into a
2 landing database, which was more structured in the same
3 table format that our final production system, in this
4 case, test system would require the data. And, then,

5 from there, we'd run the routines that would actually
6 load the information into the systems. That process
7 throughout that, we built automated routines to provide
8 us with auditing functions. The biggest audit that we
9 would perform, to ensure that we received all the
10 information that we needed, was to compare information
11 that we received in our Siebel application, to what we
12 received as far as network inventory in our Metasolv
13 application, to what we received through billing
14 extract that we would load into our Kenan application.

15 The reason why this exercise was
16 important to us is that the question was always, you
17 know, "how do you know you've got everything?" Well,
18 because of the integration of our applications, and
19 because of the integration in the Verizon world, yet
20 the extracts would come from very distinct, what they
21 would refer to as "golden source systems", it would
22 have been a great deal of effort for Verizon to omit an
23 entire customer's information, their billing
24 information, and the network that's associated to that
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1 that customer, because you would have to go into
2 several different extract programs to actually do that.

3 Therefore, what we did was this triangle
4 audit process to confirm that, "yes, we got all the

5 network that's associated to our customers, and we've
6 got all the billing information that's associated with
7 the customers." And, so, basically it allowed us to
8 confirm that we received all the information. Those
9 audits, even up to the last run of our conversion,
10 still revealed that, you know, we had missing portions
11 of the network that we knew we would have to rebuild.
12 It just wasn't coming in the extracts, nor could
13 Verizon locate the information.

14 We knew that we had our large Business
15 customers, we did not receive -- what we received,
16 there was not 100 percent of the contracts associated
17 with the Business customers. And, of the contracts
18 that we received, not all of them were still -- that
19 they had expired. So, there was no other verification
20 outside of the data we received, you know, to confirm
21 that the rates on the products, all the products and so
22 forth, there was just no way for us to actually do
23 that, other than go with the rule that we would load
24 those customers as is, at the rates that they have, and

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1 compare them to their previous bills that were
2 received.

3 So, the -- and one of the other audits
4 that we had was to, you know, compare actual invoices

5 to the previous month's invoices. Now, there's some
6 challenges associated with that, because, in our audit
7 of the calculation of certain surcharges and taxes, we
8 discovered and we produced, you know, our differences
9 that, you know, we were going to go in with after
10 cutover, differences of how we would go about
11 calculating surcharges and taxes during the
12 proceedings. But we had the other ability to confirm
13 this, and there's a lot of pockets of confirming the
14 data conversion routines, so I'm going to try to catch
15 them all here.

16 Customer service-wise, we did have an
17 opportunity, we would also, after even loading the data
18 into Siebel, because we were on the TSA and because we
19 had access to the Verizon systems, we can still do a
20 side-by-side compare, pull up account in Siebel, pull
21 up account in the appropriate Verizon application.
22 That becomes challenging in some cases, because we, in
23 the process of the conversion, customers, you know,
24 will either have, you know, their DSL was in one
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1 system, their LEC services are in one system, long
2 distance services was in another system. So, it took a
3 little longer, but we had the opportunity to compare.

4 There's also -- we did do general

5 ledger, particularly accounts receivable comparisons,
6 comparing to what we have loaded, what the -- what we
7 would start off with our receivable balances, compared
8 to what Verizon would indicate in month-end reporting
9 and so forth. We would always use that to tick and tie
10 to see how far off we were with total account balances.
11 So, those are the big items for comparison.

12 Q. It sounds as though that means you had an extensive
13 data set that you were using for testing. Is that an
14 accurate characterization?

15 A. (Haga) From a testing standpoint, we always, early on,
16 while we were still working on the conversion process,
17 we used a subset for testing. I believe, during the
18 testing process report out, we started with -- it's
19 either three or four wire centers, you know, to convert
20 all the data. And, when I say "all the data", we use
21 the network to drive, you know, network, that's the
22 foundation. We always put the network in first, and
23 then we build the Siebel information and we build the
24 Kenan information.

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1 Now, from a timing standpoint, because
2 we were iterating through this process several times,
3 we started with the four wire centers. Eventually, we

4 expanded to all 50. So, after all testing, thorough
5 testing that was done inside of the systems beyond the
6 conversion process was always done with a full set of
7 data, you know, all wire centers, all customer data and
8 so forth.

9 Now, I did make a comment in the Maine
10 proceeding two weeks ago that our testing was done on
11 one wire center. That was an inappropriate statement,
12 as the testing I was referring to was our performance
13 testing. Where "performance" from the standpoint of
14 load testing, just to confirm that, you know, our
15 systems can handle 900, 900 individuals logging into
16 Siebel, producing orders and running them through all
17 of our systems. Testing occurred, you know, across all
18 wire centers. Heavy focus was in, you know, three
19 primary wire centers in each one of the three states,
20 just to confirm that, you know, orders can go through
21 on the -- you know, from, you know, to get our
22 flow-through information that we needed. We do have a
23 tool that we use for our load testing. It's Load
24 Runner, if anybody here has got a technical background
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1 has ever used the application. And, it basically
2 allows you to record and test, you know, the key
3 strokes that's used to, you know, initiate a test case.

4 Just so that you don't have to repeat that exercise
5 after you -- if you want to rerun a test or if you want
6 to simulate a load of a thousand people logged into a
7 system, this application will allow us to do that.
8 And, that's what we used. We stuck to one wire center
9 only because what you didn't want -- we were trying to
10 confirm load testing, not confirm, you know, all of the
11 various testing of the application. So, it was load.
12 So, we wanted to keep it in a confined area, just so
13 that we didn't have other errors that would throw off
14 our ability to actually see if the load could be
15 supported.

16 So, it's -- I'd say it was from the
17 second extract on where -- it was either second
18 extract, I believe it was the second extract, where all
19 testing was done with the full load of all wire
20 centers, all customers. We always repeat that, the
21 full load of all customers.

22 Q. I'm trying to understand the answer you just provided
23 to the question that I asked. Let me just back up a
24 little bit. Would it be accurate to say then that
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1 there are different levels, as far as the extensiveness
2 of the data set, for different categories being tested?

3 A. (Haga) Yes. More specifically, performance testing, as

4 we kept it to a single wire center, just so that we can
5 execute a performance test. Full testing of the
6 ability to enter products across various -- to enter
7 orders across various products, you know, was done in
8 various states, various wire centers, and so forth.
9 So, yes. The answer to your question is "yes".

10 Q. What, if any, constraints are there in FairPoint's
11 ability to complete software changes in a timely
12 fashion? For example, are there personnel, skill set,
13 hardware, or financial constraints?

14 A. (Haga) Skill set, no. Hardware, I don't believe it's
15 hardware. I think the biggest constraint is time in
16 the day.

17 Q. Can you elaborate on it?

18 A. (Haga) Oh, it's just that the priorities that we're
19 working on, you know, eventually, this is not something
20 that you can throw a thousand people at and then we can
21 get everything addressed within a month. The
22 coordination, you know, eventually you need to be
23 careful of how much change you introduce at a single
24 time, as well as, you know, having the ability to
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1 regression test. Right now, I'd say we're at a good
2 balance, because earlier on, when we were doing, you
3 know, the every day, even when we went to three times a

4 week for the changes, we were introducing change faster
5 than what the organization can absorb. Those changes
6 need to be communicated out to the individuals that are
7 using the applications. That didn't always take place.
8 Now, so, we needed to slow down so that we can still
9 update, process documents, put together communication
10 pieces to inform users of the changes in the system how
11 it would impact their job and so forth. There may be
12 pockets of where additional focus needs to be placed.
13 But, again, we -- our work is dictated by the
14 priorities given to us by our users of our systems.
15 So, if the priorities, if we need to shift, and do have
16 the ability to pull others in, so, if we do need to,
17 you know, we referenced Metasolv earlier, if we need to
18 pull more individuals in with that type of experience,
19 that ability is available to us.

20 BY MR. FALCONE:

21 Q. Mike, you indicated that the daily updates were a
22 problem and there was a need to slow down. Did that
23 slowdown happen and are you not doing daily updates
24 now?

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1 A. (Haga) No, we're not doing -- here's how we're going
2 about changes now. We use Monday nights as just, if
3 there's a data condition or configuration setting, of

4 which does not require an application to come down, we
5 use Monday nights for those, we call them our
6 "emergency variance fixes with no customer impact".
7 And, by what I mean "no customer impact", it's an
8 internal customer -- our customers are the systems, and
9 we have 24 by 7 use of our systems. You know, so any
10 time we bring the applications down, we basically
11 hinder our nighttime trouble support. So, Monday
12 nights that's what we use, and we do that every Monday
13 night. We just leave that open, so our user community
14 is, you know, familiar that Monday nights, that's what
15 we're going to be using this for.

16 Thursday nights are what we use for our
17 deployments. Right now, we're at every other week.
18 Unless there's a particular case, which we have a
19 perfect example for this evening, there was a change
20 requested by the CLECs that Rich, before he took off,
21 reminded me that he really wants to get the change in.
22 So, this evening we will be doing a out-of-schedule fix
23 for tonight. And, that's just one fix. And, it will
24 require a small outage in the systems. And, it's --
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1 we've got -- the schedule is always we go from 10:00 to
2 midnight for the changes. But the actual window is
3 from 10:00 until 1:00, just to leave us some buffer for

4 that. So, it's every other week. At the end of each
5 month, my team gets together just to see if we're at a
6 point where we can go to once a month. Our desire is
7 to get to once a month, because it allows for better
8 control, better communication, better education and so
9 forth for the changes being introduced to the systems.
10 I would provide the recommendation, but I take it to
11 the users of the applications to see if they feel that
12 we can go to a once-a-month.

13 Q. Two other questions. The change for tonight, the CLEC
14 requested change, what -- specifically, do you know
15 what that is?

16 A. (Haga) Off the top of my head, no.

17 Q. Okay.

18 A. (Haga) Rich told me three times, I've looked at the
19 sheet three times. I just -- right now I can't recall
20 what it is.

21 Q. I understand.

22 A. (Nixon) If I could. Mike, for clarification, I think,
23 because billing is not on a 24 hour cycle, you do more
24 frequent upgrades in the billing systems?

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1 A. (Haga) Yes, with billing, we're still on daily. But
2 it's not -- I represent most of it, and with Dave being
3 here, majority of them are corrections to data

4 themselves, introducing products that were not on there
5 or correcting rates, implementing individual case based
6 applications, some support of some marketing programs
7 and so forth. We do it on a daily basis, but we're
8 already talking with Dave to see if we can slow that
9 one down as well. Billing, we can do that, because the
10 user -- there's no user community outside of those that
11 place credit adjustments in the applications. So, we
12 can do more frequent updates, because we're not
13 impacting the business. Customer service reps, in
14 general, do all their work in Siebel.

15 Q. When you were on this daily schedule, you indicated you
16 were kind of going faster than you really should have,
17 and you talked about people not being able to
18 communicate with people for the changes to be made.
19 Were there also instances where making changes to the
20 software introduced new problems, because you couldn't
21 have time to do sufficient testing?

22 A. (Haga) Well, I was okay with it until the last
23 statement.

24 Q. I withdraw the last part then.

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1 A. (Haga) Were there times? Yes. Sometimes was it
2 because of insufficient testing? Yes, it was
3 sometimes. It wasn't always. There were sometimes

4 where we were working on a fix for, you know, something
5 in Siebel, you know, for the group that uses Siebel, we
6 made the change, and it had a ripple effect down there.
7 The software didn't cause a problem, but the change in
8 the software -- the pure change of the process of
9 which, you know, how the information was presented
10 downstream didn't know about, it caused a problem. Did
11 we introduce some changes from the software that did
12 result in a downstream process or problem? Yes. There
13 was, you know, some cases of a change would introduce
14 more messages going back and forth between the
15 applications, which caused a flood of messages for
16 Metasolv, Metasolv didn't care for it, and that was one
17 of our outages that we had with the Metasolv
18 application.

19 MR. FALCONE: Thank you.

20 WITNESS HAGA: You're welcome.

21 BY MS. BAILEY:

22 Q. And, what have you done to assure yourself that that's
23 not going to happen anymore?

24 A. (Haga) Well, we've done several things. One is just to
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1 slow it down. You know, when you're introducing that
2 many changes, the -- Bob is correct, the opportunity to
3 do full regression testing, obviously, the -- you're

4 not even looking at a calendar, now you're looking at a
5 clock, the clock doesn't afford that. When we went to
6 three times a day, if we were to put it on a chart, you
7 know, as we went to three times a day, it offered us
8 more testing, slowed down the number of changes that we
9 can put in. And, now that we went to -- when we went
10 to once a week, we even had more testing. We expanded
11 the number of regression tests that we go through.
12 Still, even when we went to once a week, we still
13 didn't put enough emphasis on performance testing. So,
14 we still had to improve on that. Which, last Thursday,
15 we had -- one of our big items off of the Aricent list
16 was our product configurator changes. This is a very
17 complex change to put in.

18 We -- Each Thursday, the review process,
19 I'm going to sidetrack just a little bit, so you
20 understand the process for the deployment windows
21 themselves, just so you know the level of scrutiny that
22 goes in before these changes go in. Each Wednesday
23 night we get the full list of items that have gone
24 through testing. This list is typically around 156 --
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1 150 to 160 items. Each of my department heads is
2 responsible to review that with their teams prior to.
3 We look through it to see, you know, which items we

4 feel could have, as Bob was questioning, the potential
5 downstream impact if we didn't do it correctly. We
6 look at items just to see if there's any messaging
7 impact that could potentially happen. We also look to
8 see if there's any database -- potential database
9 issues that we could have with just the introduction of
10 a new process, increase storage needs, and so forth.
11 We review all that. It does go through approval
12 process.

13 Since cutover, I've sat on every single
14 one of these, looked at every single change that we
15 wanted to introduce into the system. We validate that
16 users of the system confirmed that they did test it,
17 that they're okay with it. Early on, we still had a
18 few of those that that rigor wasn't in place for the
19 first month. I would say "Hey, guys, we're not the
20 keeper of this domain. We need to make sure that our
21 users of the systems are happy and comfortable with the
22 changes.

23 Kate, I apologize now I've forgot what
24 the original question was.

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1 Q. What have you done to make sure that changing your
2 software or upgrading it won't cause downstream
3 problems?

4 A. (Haga) Yes. The other piece, the expansion of our
5 regression tests that we perform, we actually keep
6 those now every Wednesday as well to go through the
7 full set. We've also increased and improved upon our
8 use of Load Runner for load balancing. As you've
9 noticed, we've already reported that at the end of
10 June, the first part of July where we had what was
11 referred to as the "system issues" that caused our call
12 center performance, as well as other areas of the
13 business, those were a result of performance issues.
14 The applications were working, they were just working
15 extremely slow because of the challenges there. So,
16 we've -- I've put a dedicated team to, in some cases,
17 reinstitute the performance testing, and other cases
18 reevaluate what we were doing, because, obviously, it
19 wasn't catching what we needed to catch. And, the
20 reason why I was referencing the product configurator
21 changes is that is going to have -- it has the --
22 obviously, we're doing the project to improve
23 performance. But the project could also have a
24 negative impact on performance. And, we were checking
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1 to make sure that we were getting the performance gains
2 to our statistics, but we weren't checking to see would
3 we have negative performance impacts in other areas.

4 So, last Thursday, instead of implementing it, we
5 stopped it, shut it off, reevaluated the performance
6 tests that we going through. We added a significant
7 number of tests. As far as validating the orders that
8 it was going to impact and on the products that were
9 being corrected, we did not use a statistical sampling,
10 because the project itself, the product configurator,
11 the primary table in there, prior to this project, had
12 160 million rows of data in it. One of the
13 recommendations from Aricent was that we had too many
14 validations within the tool, and those validations were
15 driven by this table. The project identified
16 16 million rows in this table that were unnecessary
17 that were causing the performance issues with the
18 product configurator. Sixteen (16) million of
19 160 million, we were -- the effort was going to delete,
20 you know, one-tenth of the information in the systems.
21 I stopped the implementation. We tested half the
22 products, but, because of the change and because of the
23 removal of information from all the products, you
24 couldn't use a typical way of testing something that,
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1 if you do a percentage, usually is a good statistical
2 sampling, will ensure that you're okay. But, because
3 we removed information for every product, we had to

4 test every product, just to make sure that it worked.

5 You know, so we're looking, getting back
6 to your question before I lose it, we have increased
7 the amount of regression testing. We are inside of the
8 two week window. We will go through two days of
9 performance testing, performance from the standpoint to
10 make sure that we're not doing any kind of impact to
11 the stability of the applications. We're evaluating
12 more closely, you know, individual changes, just to
13 make sure that if our regression tests will actually,
14 you know, hit the particular change. In addition to
15 that, each of my direct reports is also responsible to
16 approve any and all changes, you know, prior to not
17 just somebody that's a developer on their team, but
18 also they've got to put their stamp of approval on the
19 change as well.

20 A. (Nixon) If I might, just there's a misstatement, I
21 think, Mike, several minutes ago I just want to quickly
22 correct. You were talking about "three per day",
23 instead of "one every three days", and in terms of
24 upgrades --

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1 A. (Haga) Oh, if I said "three per day" --

2 A. (Nixon) Right, and I think that was just a

3 misstatement. I thought I would correct it now.

4 Q. Did you mean "three a week"?

5 A. (Haga) "Three a week", correct.

6 BY MR. HUNT:

7 Q. It appears you may have already answered this, but I'm
8 not sure it covers everything. So, you know, what is
9 process for identifying, documenting and tracking
10 systems defects and enhancements?

11 A. (Haga) We've got several avenues for work to come into
12 the organization. We have Remedy ITSM, which is, and
13 any large IT organization is probably familiar with the
14 tool, we use it for two purposes. One for our desktop
15 help desk, for them to report issues, and whether their
16 PC won't start up, phone doesn't work, and so forth,
17 all those come in internally, get reported there.
18 Log-in requests also go through there. And, then,
19 system issues, we refer to them as "issues", because,
20 when they're first reported, we don't know if it's a
21 defect or if it's a change request, an enhancement and
22 so forth, until we go through an evaluation. We also
23 have -- we always want everything to go in there,
24 primarily because it allows us to adhere to our change
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1 management policies and processes. Not always do they,
2 though. We're working on making sure that we do,

3 100 percent of those items get in there. We've also
4 got a tool that's adaptive. It's primarily a project
5 management tool, but we also use that to allow some
6 groups to bring in, from a project standpoint, requests
7 for changes in the system.

8 In addition, the Capgemini team, going
9 through this project, used a tool called "Mercury
10 Quality Center", which is -- it's primary purpose is
11 for the testing and tracking of changes in the
12 applications. But, in our case, we also use it for the
13 ability to track work through the systems. So, items
14 will come out of Remedy. And, if we need individuals
15 from Capgemini to work on the effort, we'll take the
16 item out of Remedy, and put it into Quality Center, so
17 we can track it, assign it, track it. And, as we go
18 through the various life cycles, those requirements,
19 development, unit tests, user acceptance testing when
20 it's ready for deployment, we use that tool to track
21 the work through the item there.

22 MS. HOLLENBERG: Rob, can we --

23 MR. HUNT: Go ahead.

24 BY MS. HOLLENBERG:

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1 Q. So, it sounds like you track the systems issues
2 through, and you track them through some systems that

3 you have. How do you prioritize them? Are those
4 things that are determined by the change management
5 policies and processes?

6 A. (Haga) No. The prioritization effort, we have,
7 throughout the week, various meetings with the
8 different business organizations that utilize the
9 systems. It's their responsibility to provide my group
10 with the prioritization. We don't pick what we want to
11 work on. So, we expect them to come to us to let us
12 know what priority they want to work. We help them
13 with letting them know how big the effort is, where the
14 changes will impact. We also support, you know, there
15 are some times where one group will come to us without
16 an understanding that they also, in order for us to
17 satisfy their request, another group has to be included
18 in the conversation because it's the
19 upstream/downstream type issues. So, it's, you know,
20 those requests, I've got a weekly meeting with
21 Mr. Murtha to go through all requests from, you know,
22 from CLECs. Mr. Rush's organization, for everybody,
23 for any of the call center activities that primarily
24 are in the Siebel application. Then, we've also got

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1 billing calls. So, we meet with every department and
2 go through a prioritization effort. We provide status

3 of how we're doing with stuff that we're already
4 working on. Then, we talk about, you know, the week --
5 the following week, the following month, and so forth,
6 so we always keep the work churning through the
7 organization.

8 Q. So, as a servant to multiple masters, how do you
9 prioritize the different masters' priority list?

10 A. (Haga) For the most part, if there are competing
11 demands on, say, Siebel, where we have -- most of the
12 competition is between marketing and customer service.
13 If we've got issues, as far as who needs, you know,
14 what needs to be prioritized, or if one particular
15 group is not working with us to discuss what needs to
16 be prioritized, it's as simple as getting a couple guys
17 on the phone and say "Hey, we need some help. We can't
18 meet both of your number ones."

19 Q. Uh-huh. Okay.

20 MR. HUNT: Anything else?

21 BY MS. HOLLENBERG:

22 Q. Is it possible for you to provide us, our office, with
23 a list of all of your systems and a description of what
24 each one does?

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1 A. (Haga) Yes, that would be possible.

2 Q. Would you do that for us please?

3 A. (Haga) Yes, I will.

4 MS. HOLLENBERG: Thank you.

5 BY MS. HATFIELD:

6 Q. In response to Attorney Hunt's question, Mr. Haga, you
7 were talking about the conversion of data from Verizon,
8 and you were talking about the testing process. Do you
9 recall that?

10 A. (Haga) I do.

11 Q. And, is that the testing that Liberty Consulting
12 observed and reviewed prior to cutover?

13 A. (Haga) I wouldn't say all of the testing, but we
14 reviewed the process, the results. And, I believe
15 that's it.

16 Q. So, I asked you "if they observed and reviewed it", and
17 you said "no, I would say that they" -- what were the
18 words that you used?

19 A. (Haga) I would say -- the conversion process is 24 by
20 7, 7 days a week. So, to observe it, it would have
21 been physically impossible for them to do that. But
22 what we reviewed, we reviewed with them the approach.
23 What results that we would capture. And, then, we
24 provided the results, you know, after each conversion
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1 run.

2 Q. And, how many conversion runs would you have done that

3 you shared with them?

4 A. (Haga) We had four data extracts from Verizon, but each
5 extract we would run several times. I believe, when it
6 was all said and done, we got to mach 14, I believe it
7 was 14.

8 MS. HATFIELD: Thank you. Thank you,
9 Rob.

10 BY MS. WILUSZ:

11 Q. When the prioritization has been done on the project
12 that you are given, is there a date of completion
13 that's committed to the individuals that are asking for
14 it?

15 A. (Haga) There is.

16 Q. And, how often do those dates actually slide past?

17 A. (Haga) It's not very often.

18 Q. Would it be possible, when these upgrades have been
19 committed to, to be provided with a completion date,
20 the effective completion date?

21 A. (Haga) Yes. I would just ask that that's something you
22 should work out with Mr. Murtha. I provide that to
23 him, and it would be his responsibility to share that
24 with you.

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1 Q. And, one last question, going kind of a ways back, but
2 I just need clarification on something. You were

3 talking about the emergency variance issues that you
4 addressed, and you said those were "non-customer
5 affecting", but you said something about the repair.
6 Does it affect their systems at night?

7 A. (Haga) Well, the comment to repair, and the reason why
8 we try to limit the number of times we do these
9 deployments is our repair organization uses --
10 [Court reporter interruption]

11 BY THE WITNESS:

12 A. (Haga) I'm sorry. The repair organization, they work
13 throughout the night, and that's when we do these
14 deployments. You know, so for us to do the
15 deployments, we need to limit the number of times we
16 actually take the applications down, because it does
17 impact their ability to perform their job. So, Monday
18 nights is -- we will not take systems down. It's only
19 used for the every other week Thursday night
20 deployments now.

21 BY MS. WILUSZ:

22 Q. So, what would be impacted for them? Would they not
23 have access to what?

24 A. (Haga) They wouldn't have access to Siebel.
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1 Q. And, what's in Siebel for them?

2 A. (Haga) The information about the customer. So, if a

3 customer calls in reporting a trouble, they need to
4 pull up the account to see what all services they have.
5 Then, they would always use, obviously, Metasolv, to
6 actually see what inventory they have associated to
7 their account, and so forth.

8 Q. So, wouldn't that be customer-impacting, because, if we
9 can't access the information in their account to open
10 up tickets, then won't that delay a trouble ticket from
11 actually being dispatched on?

12 A. (Haga) It has a potential for that, which is why we try
13 to avoid that.

14 Q. So, it is customer-impacting?

15 A. (Lamphere) I think what she's referring to is when you
16 said "we don't do it on Monday nights, because of the
17 repair --

18 [Court reporter interruption]

19 BY THE WITNESS:

20 A. (Lamphere) I think what -- when he was referring to,
21 when -- as a comment you made earlier regarding
22 customer impact, you meant internal customer impact,
23 not --

24 A. (Haga) But I understand -- sorry, Steve. I understand
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1 where the question is going.

2 BY MS. WILUSZ:

3 Q. Okay.

4 A. (Haga) That even though my customer is the Trouble
5 Department, because I'm taking away their tools, their
6 customer, which is all of our customers, can have an
7 impact.

8 Q. Correct.

9 A. (Haga) And, it's "can", it's not "will". It's all
10 depending upon the trouble, if they can find the
11 information by other means. You know, so it's not
12 always 100 percent. But we still try to avoid that,
13 that's why we try to keep the window down to just the
14 two hours. We also -- we do pay attention to the
15 weather. If we do have a situation like the other
16 night, if we would have known -- if we see a forecast
17 that says "we're going to have two to three inches of
18 rain that night and heavy thunderstorms", we'd talk to
19 Karen Mead and say "Hey, let's not do anything tonight,
20 because you might be pretty busy tonight." So, we take
21 all those things into consideration. But we try to
22 stick to the calendar only so that people can be
23 prepared, they get in on a routine, so they know that
24 that's the night that we're going to do it. We used to
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1 do these on Sunday night. But it didn't take long for
2 us to recognize that Mondays are our busiest days, at

3 least from a call volume standpoint, and there's no
4 need for us to introduce change at the same time when
5 we have our heavy workloads. That's why we're now
6 doing them on Thursday evening.

7 Q. This is the first time that I've heard of your
8 scheduling of upgrades and so forth. Would it be
9 possible for you to request an accessible letter to go
10 out to the CLEC community outlining what nights, what
11 happens, so that we are aware in advance?

12 A. (Haga) I'm not sure the process, if I'm the one to make
13 that request.

14 (Multiple parties speaking at the same
15 time.)

16 BY THE WITNESS:

17 A. (Allen) I will make the request of Mr. Murtha to get
18 the accessible letter out to them.

19 MS. WILUSZ: Thank you. I appreciate
20 that.

21 MS. MULLHOLAND: Kath Mullholand, from
22 segTEL.

23 BY MS. MULLHOLAND:

24 Q. Mr. Haga, you mentioned changes to software systems
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1 need to be communicated out to the users.

2 A. (Haga) Correct.

3 Q. Okay. What -- they need to know what impact those
4 changes will make on the processes that they use every
5 day?
6 A. (Haga) Correct.
7 Q. They need to know how the documentation is going to
8 change?
9 A. (Haga) Correct.
10 Q. There need to be changes to the on-line documentation
11 in the products that they use?
12 A. (Haga) Correct.
13 Q. So, when changes are made to the systems that the CLECs
14 use, how are those changes relayed to the CLECs?
15 A. (Haga) I provide the information to Rich's team. And,
16 from there, I can't speak to that.
17 Q. Okay. Would it surprise you to know that, if at all,
18 CLECs learn this once a week, usually several days
19 after those changes have been put into place?
20 A. (Haga) Would it surprise me?
21 Q. Let me put it another way. Is that how you want your
22 users of your systems to hear about changes?
23 A. (Haga) No.
24 Q. Thank you. Do you know how much information CLECs are
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1 given on the impact of the change to the processes that

2 they use?

3 A. (Haga) No.

4 Q. Do you know if the documentation, the underlying
5 documentation that CLECs refer to, get changed to
6 reflect those changes?

7 A. (Haga) No.

8 Q. Do you know if order samples that the CLECs refer to to
9 place their orders are changed to reflect the changes?

10 A. (Haga) No.

11 Q. And, do you know if on-line documentation gets updated
12 to reflect those changes?

13 A. (Haga) On-line documentation, I'm aware that some of
14 the changes get made, but I'm not -- I couldn't confirm
15 100 percent of those. The on-line specifically for
16 CLECs is within Synchronous's application, and I'm not
17 fully aware of all the changes they make in their
18 application.

19 Q. Okay. Let me make the distinction between on-line
20 documentation that's put on a webpage that people can
21 refer to, --

22 A. (Haga) Okay.

23 Q. -- or on-line documentation that's actually within the
24 program that you're using. So that, for instance, the
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1 field has an error message or information down below,

2 if that error message or information down below is
3 updated. When I'm saying "on-line documentation",
4 that's what I'm referring to. Is within the program
5 itself, do those on-line key elements that are user
6 based get updated along with the changes?

7 A. (Haga) I'm not familiar with that.

8 Q. If none of those things were done, and I'm not saying
9 that that's broad spread, but I'm saying "to the extent
10 that none of those things are done", is that how you
11 would want users of your systems treated, when there
12 are changes to the system?

13 A. (Haga) No.

14 MS. MULLHOLAND: Thank you. No more
15 questions.

16 MS. HOLLENBERG: I just have one
17 question.

18 BY MS. HOLLENBERG:

19 Q. And, I'm just going to ask it now because Mr. Haga and
20 Mr. Allen are here, and I'm not sure who said what on
21 Tuesday. But, on Tuesday, I recall that Staff, I
22 think, asked if you knew all of the manual workarounds
23 currently in place, and I think your answer, Mr. Allen,
24 was that you "had no way of knowing that". Do you
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1 remember that?

2 A. (Allen) I do remember the conversation, yes.

3 Q. Okay. Yet, later on, on Tuesday, I don't know if it
4 was Mr. Haga or Mr. Allen, you stated words to the
5 effect of "having a calendar of different dates for
6 when workarounds would be automated?"

7 A. (Allen) Correct.

8 Q. Okay. So, if you have a calendar of dates identifying
9 when workarounds will be automated, how do you not know
10 all the workarounds that exist?

11 A. (Haga) It's not all workarounds.

12 Q. Okay.

13 A. (Haga) It's workarounds that have come up and show up
14 on our prioritization list for, you know, "can we
15 automate this?" So, I do not know 100 percent of the
16 inventory of manual work that's out there.

17 Q. Okay.

18 A. (Haga) Unless it's brought up and it's on our --
19 whether it's entered into Remedy or it appears on our
20 prioritization list, that's the ones that we're
21 referring to.

22 Q. So, you at least have a prioritization list of manual
23 workarounds?

24 A. (Haga) For those brought to our attention, correct.

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1 Q. Okay. You wouldn't have a prioritization list for

2 those not brought to your attention, though, right?

3 A. (Haga) Correct.

4 Q. Okay. Would you -- would one of you agree that, for
5 most of the manual workarounds, there exist some IT fix
6 or change that needs to happen?

7 A. (Allen) For some, I would certainly agree. I don't
8 know if the answer is "most", because we haven't
9 quantified all of them. I think we also stated that
10 there are a number of manual work that gets done that
11 will always remain manual and actually is the most
12 efficient.

13 Q. Okay. So, for non-complex orders, would you agree
14 that, for most of the manual workarounds, there are
15 some corresponding IT fix that's contemplated?

16 A. (Allen) For some? Some of those would be the ones that
17 have been prioritized, so the answer to that would be
18 "yes, for some."

19 Q. Okay. So, you have a list of prioritized workarounds,
20 and, for the other ones, it's very likely or would you
21 agree that it's likely that there is some IT fix that's
22 contemplated for the manual workarounds for non-complex
23 processes?

24 A. (Allen) Could you repeat that please.

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1 Q. I would presume that you're not interested in

2 functioning with manual workarounds for non-complex
3 orders in perpetuity, is that correct?

4 A. (Allen) I wouldn't necessarily break it out by complex
5 and non-complex.

6 Q. Okay.

7 A. (Allen) There are manual workarounds that are done
8 today that would be much more efficient if they were
9 automated by changes in the IT system. That is
10 absolutely correct.

11 Q. Uh-huh.

12 A. (Allen) There are also manual -- There's manual work
13 that's done today that there's no contemplation that we
14 would automate. I would say that certainly the
15 majority or a larger portion of the manual work is done
16 in more complex products, but I don't know that I would
17 say that all work in the baseline product should be
18 automated, as compared to none of the work, let's say
19 in the complex products.

20 Q. Okay. But you would know -- you would know the manual
21 workarounds that have prioritized IT fixes, correct?

22 A. (Allen) Yes.

23 Q. And, I presume there some other manual workarounds that
24 are not prioritized for IT fixes, but they do have IT
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[WITNESS PANEL: Nixon|Allen|Lamphere|Murtha|Haga]

1 fixes that have been requested, is that correct?

2 A. (Allen) That would have a lower priority, yes.

3 Q. Okay. So, you could at least provide the parties with
4 that information, could you not?

5 A. (Allen) We could, for the items that we're ultimately
6 looking to automate? Yes.

7 Q. Yes.

8 A. (Allen) We could provide that.

9 MS. HOLLENBERG: Okay.

10 MR. HUNT: Okay. Since Mr. Haga has to
11 leave at 3:00, we have few questions we'd like to make
12 sure we get on the record today.

13 MS. HOLLENBERG: Thank you.

14 BY MR. HUNT:

15 Q. First, you mentioned Capgemini's involvement with some
16 of the changes or attempts to fix defects and so forth.
17 What is Capgemini's general current role with
18 FairPoint?

19 A. (Haga) The general current role is they are an
20 extension of my development organization. So, they --
21 these prioritized lists that we're speaking to, I take
22 that to -- they are structured underneath my
23 organization under four primary areas. One is our BSS
24 applications, which predominantly is our Kenan, Siebel,
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1 Synchronous, and CDG applications; our OSS environment,

2 which the main application is M6, you probably also
3 heard of GE Small World, Logic ASAP, and so forth; ERP
4 systems, which is our Oracle financial, Oracle HR, and
5 our supply chain application; and then we just have a
6 development group primarily for reporting.

7 Capgemini individuals, there's currently
8 192 people supporting us. They all roll up within that
9 management structure, which are direct reports to
10 myself. The BSS organization is one area where I do
11 not have a FairPoint individual involved for reporting
12 directly to me in that area. But that's one that I
13 monitor closely, and it's also one that gets assistance
14 from Mr. Bergeron, as far as helping direct
15 prioritization. So, they're predominantly development,
16 and they're working the change requests, the defects,
17 the projects and stuff that are prioritized by the
18 business organization.

19 Q. Can you explain "BSS"?

20 A. (Haga) Yes. It's "Business Support Systems".

21 Q. Are there continuing -- just a minute. Are there
22 continuing defects in the system designed by Capgemini?

23 A. (Haga) I'm struggling with the answer to the question
24 only because the definition of "defect". The

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1 definition of "defect" that I've always gone with is

2 "It's not working as designed. It's not working as
3 requested." It's actually "It's not working as
4 requested." We do have users of that application that
5 would claim that "it's a defect, because it's not
6 working as they had expected", versus it's not working
7 as it was requested to work. Are there areas that are
8 still not functioning as they were requested? There
9 are pockets of that on various applications.

10 Q. How many?

11 A. (Haga) We're going through an effort now to verify that
12 and true that up.

13 Q. How long will that take?

14 A. (Haga) We've been directed to have that completed
15 within three weeks.

16 Q. We'll ask that you provide that information when you
17 have it.

18 A. (Witness Haga nodding affirmatively).

19 Q. Do you believe that the systems will eventually perform
20 as expected? And, if so, when do you expect that to
21 happen?

22 A. (Haga) Well, it's a general question, and I'll try not
23 -- I'll try to give you some specifics to you. There
24 are some applications that are actually working at a
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1 level which we expected them to work today. The

2 improvements that we're making to Siebel, and now we're
3 getting into "okay, let's move the bar and start doing
4 what we had expected to see within the application."
5 Which is quick responses to marketing requests and
6 introduction of new products and so forth.

7 But, if we wanted to provide a general
8 report card, I'd say, generally speaking, we are just
9 shy of where -- where we want to be. And, I say it --
10 I struggled with the question because we are -- many
11 people ask of, you know, things that weren't introduced
12 or weren't, you know, where we had manual workarounds,
13 which were automated before. There's also -- and I
14 have no inventory of. But there are activities that we
15 automated that were manual before, we just never kept
16 score of that. We just always treat it as a bonus that
17 we have that opportunity. The foundation and the
18 framework of the applications still believe the systems
19 chosen and the environment and the manner in which we
20 integrated them, does provide us the operating
21 framework from a system standpoint that will allow us
22 to get where we need to go from a company perspective.
23 But we still have -- still have more data
24 reconciliation type activities that need to take place.

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1 We still have more performance tuning, similar to what

2 we did with the Aricent exercise, that needs to take
3 place. Many of that is a combination of not only a
4 system, but it's always the IT network that we also
5 stood up at cutover. It's a brand-new network, as well
6 as brand-new applications. And, we're still even
7 tweaking router configurations and so forth from our
8 various office locations, because they also impact the
9 performance, the perceived performance of the
10 applications.

11 BY MS. BAILEY:

12 Q. The question was, "do you believe the systems will
13 eventually perform as expected?" And, your answer was
14 "Generally speaking, we're just shy of where we want to
15 be." Is that you're just shy of where you don't think
16 you're ever going to have them work the way they need
17 to work or some day you're going to get there?

18 A. (Haga) Systems constantly evolve, as well as the
19 business itself constantly evolve. That's why -- my
20 comment is more of, coming out of the back-end of a
21 conversion, you know, we had -- we shutdown down the
22 business, you know, and halted service orders. Now, we
23 did not produce any bills for an extended period of
24 time and we caught up. Through a conversion activity,
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1 it does take several months to go through data

2 reconciliation. I'm always very close on those, so I'm
3 not too concerned about my flight.

4 Q. But what does your real departure time happen to be?

5 A. (Haga) It's supposed to 4:26, but we're okay. The
6 number of issues, you know, I have probably been
7 extremely defensive in the last five months of hearing
8 the comment of systems, "The systems aren't working.
9 The systems are broke." And, the ability and the
10 improvements that we've seen in the number of orders
11 getting through the system, the fact that we do have
12 409,000 orders, that was Tuesday's number, that have
13 been able to go through the systems, would indicate
14 that, you know, the systems, you know, are functioning.
15 Are they functioning across the board at peak levels?
16 No. But were Verizon's systems functioning across the
17 board or were they done changing their systems? Were
18 they done improving their systems? No.

19 So, it's difficult to put a fine line
20 just to say "okay, are they where you want them to be?"
21 Well, the real answer is "no". They're never going to
22 be, because, if they were where they wanted to be, then
23 we wouldn't need an IT organization. We could go into
24 just maintenance mode.

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1 Q. But that's not the question. The question is, "will

2 they perform as expected?" So, you had an expectation
3 going into cutover, and you're still not there yet.
4 Will they ever get there? I understand that, you know,
5 systems evolve, and you're always going to be tweaking
6 them and making them better. But, you know, what you
7 expected six months ago, maybe that's different today,
8 but I think, you know, Verizon's systems performed so
9 that there weren't these constant daily issues coming
10 up. Do you think that these systems will ever get to
11 that point where they will just be running the business
12 and operating as expected?

13 A. (Haga) In many areas, we are running the business and
14 we're not having every day issues, you know.

15 Q. In many areas. But talk about the ones that aren't.

16 A. (Haga) Well, then, we've got to get down to the
17 specific products that are having troubles or the
18 specific location of network inventory that's causing
19 us troubles. We are still able to take the volume of
20 calls and get the orders into the systems. So, it's --
21 it's just a difficult question to answer. We are able
22 to run the business in some areas, particularly with
23 some of the touch points that we have with the
24 provisioning activation standpoint with these

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1 workarounds that we're mentioning. We can still make

2 BY MS. FOLEY:

3 Q. You mentioned there are 192 Capgemini employees, is
4 that correct, working for you?

5 A. (Haga) Correct.

6 Q. How many FairPoint employees are in the IT group?

7 A. (Haga) I've got 111, potentially 110.

8 Q. One's leaving?

9 [Court reporter interruption]

10 BY THE WITNESS:

11 A. (Haga) Okay. I have a pending request for an
12 individual to transfer to another department. So,
13 that's why it's --

14 BY MS. FOLEY:

15 Q. Who oversees the work that Capgemini does?

16 A. (Haga) My direct reports and myself.

17 Q. And, who assigns the specific work to Capgemini to
18 complete?

19 A. (Haga) It's a combination of the effort to go through
20 the prioritization of the work coming to us. And,
21 then, once we get it prioritized, either myself or my
22 direct reports, we go through and determine who's
23 working on what project, how many of the projects we
24 can work concurrently, how many change requests we can
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1 work concurrently and so forth. But all their

2 direction, once we have the prioritization established
3 by the business, their direction for what work is being
4 done, how they status it, how we report out to the rest
5 of the business, is underwritten by my organization and
6 myself.

7 Q. And, the ratio of 110 FairPoint employees to 192
8 Capgemini employees work on IT issues, is that a good
9 ratio in your view?

10 A. (Haga) Right now, the number is high. And, my task, as
11 far as my department, is to, over the course of the
12 agreement that we have with Capgemini is to bring their
13 number down, bring our number up.

14 Q. When do you anticipate doing that?

15 A. (Haga) That's a function of planning. You know, which
16 -- I'm working with my team now to determine, you know,
17 we can't, obviously, do it all at once. We're looking
18 at what areas have the least amount of risk, which
19 areas we can find the actual talent to bring in so that
20 we can begin to transfer the work that's being
21 performed into our organization.

22 Q. Have you had more Capgemini people working for you in
23 the past year?

24 A. (Haga) In the past year, we were at levels of, I
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1 believe, 726, 727, when we were in the heavy portion of

2 this project.

3 Q. And, when did that reduce to 192?

4 A. (Haga) Hit the 192 mark, it was last week.

5 Q. And, after cutover, what was the general range?

6 A. (Haga) The general range was 480 to 500. We ran at
7 those numbers for a better part of four months.

8 BY MS. BAILEY:

9 Q. Who decided which Capgemini employees would stay and
10 which would go?

11 A. (Haga) A combination of FairPoint, inputs from
12 Capgemini, and the individual. Some individuals left
13 for personal reasons.

14 MS. FOLEY: I have one last one.

15 MR. HUNT: Go ahead.

16 BY MS. FOLEY:

17 Q. Regarding KPMG, you brought them in in March, is that
18 correct?

19 A. (Haga) We actually had KPMG a couple of times. Once
20 was in November, and the other time was in March.

21 Q. Can you briefly describe what they did for you?

22 A. (Haga) Yes. We'll start with the March. The reason
23 for bringing in Capgemini was to address --

24 Q. KPMG.

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1 A. (Haga) KPMG, excuse me.

2 MR. HUNT: Let me just interject here,
3 before you get started on this answer. I think, if we're
4 going to have a lot more questions for Mr. Haga, we're
5 going to have to have him back another day next week or on
6 some other date. Do you expect you have a lot more?

7 MS. FOLEY: That was my last question.

8 MS. BAILEY: Well, we have a few more
9 and OCA I think had some. Do you have time to answer that
10 question?

11 WITNESS HAGA: Yes, I can.

12 MS. BAILEY: Okay.

13 BY THE WITNESS:

14 A. (Haga) The report that was generated, did that ever be
15 --

16 A. (Allen) That was given out to the Staff, but it was not
17 given out to all the parties.

18 A. (Haga) Okay. Because I was going to reference some of
19 the items inside the report. The reason for them
20 coming in was to review how we were introducing change,
21 how we were monitoring the issues from an IT
22 standpoint, taking a review of the IT organization, to
23 address the same question that you had of, you know,
24 "who's providing Capgemini direction? What does the
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1 organizational structure look like within the IT

2 organization?" So, they went through the whole -- it
3 was really how was FairPoint utilizing their IT
4 resources and was there appropriate processes and
5 governance in place in order to make sure that we were
6 working quickly, as well as minimizing risk and
7 changes, too many changes into the organization.

8 MS. FOLEY: Thank you.

9 MR. HUNT: Okay. Thank you. Yes, we do
10 need confirmation that you can come back and --

11 WITNESS HAGA: Confirmed.

12 MS. BAILEY: We'll work that out.

13 MR. HUNT: Thank you. So, we'll take a
14 break for 15 minutes, and then see you then.

15 (Recess taken at 3:11 p.m. and the
16 technical session reconvened at 3:30
17 p.m.)

18 MR. HUNT: Okay.

19 MR. MCHUGH: Back on the record, Steve?

20 Rob, I just want to make sure there's a clarification.
21 People have been requesting oral data requests, and we've
22 been I think duly noting them, but I've not been making a
23 determination on the fly of what might be or what might
24 not be confidential. So, I want to let people know I'm

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1 going to take the opportunity to go through it with the
2 Company representatives before making that determination.
3 And, I just want to make sure there's no illusions that,
4 because I've sat here and not said anything to the
5 multiple requests, that we may or may not take the
6 position that they are confidential.

7 MR. HUNT: I can tell you that I didn't
8 perceive FairPoint's attorneys as waiving their right to
9 assert confidentiality to any of those things.

10 MR. MCHUGH: Fair enough. Thank you.

11 MS. HATFIELD: And, I would just add, we
12 didn't either. But, you know, we think it's for the
13 Commission to decide. But you can certainly try to get
14 things protected.

15 MR. HUNT: What we would like to do, if
16 I understand, is we'd like to go ahead and have Mr. Block
17 and Mr. Bergeron sworn and question them on some items.

18 MR. MCHUGH: We're going stay now with
19 the party-by-party format?

20 MR. HUNT: Yes.

21 MR. MCHUGH: Yes. Thank you.

22 MR. HUNT: Hello. Can you two just
23 please identify yourself and, if necessary, spell your
24 name for the record.

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1 MR. BERGERON: Sure. David Bergeron.

2 MR. BLOCK: And, I'm Pat Block.

3 MR. HUNT: And, if you could just raise
4 your right-hand, both of you. In the testimony you're
5 about to give, do you swear to tell the truth, the whole
6 truth and nothing but the truth, so help you, God.

7 WITNESS BERGERON: Yes.

8 WITNESS BLOCK: Yes.

9 DAVID BERGERON, SWORN

10 PATRICK BLOCK, SWORN

11 MR. HUNT: All right. I want to try to
12 explain to you what I'm doing first. I have questions
13 basically for both of you regarding wholesale billing and
14 resale. And, what I'll do is I'll ask the questions.
15 And, if one of you or both of you have an answer to the
16 question with regard to either wholesale or resale
17 billing, please go ahead and provide the answers.

18 RE: WHOLESALE BILLING AND RESALE BILLING

19 BY MR. HUNT:

20 Q. The CLECs have informed us that there are still some
21 bills they expect to receive that haven't been rendered
22 since cutover. Are you aware of that?

23 A. (Block) Bills coming out of CDG, all those bills have
24 been rendered. I am unaware of any bills that a
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1 customer has not received out of CDG.

2 Q. What about resale?

3 A. (Bergeron) For resale, I think, well, of all the bills
4 that I know of, we have generated all the resale bills.
5 I think the discrepancy has come around, the set-up of
6 some of the accounts, where the delivery of a BDT might
7 have been unreadable or an update for a format that was
8 not what was expected.

9 BY MR. FALCONE:

10 Q. Pat, just one follow-up on your response. Have you
11 validated or made any effort to validate, on a
12 CLEC-by-CLEC basis, kind of an inventory by billing
13 account that "Hey, we expect you to receive -- we think
14 you have 13 billing accounts, and we think we sent all
15 13 bills. Do you agree?"

16 A. (Block) We had ever bill Verizon rendered in January,
17 when we started rendering bills in February we had a
18 one-for-one match. Now, we did have some bills go to
19 the wrong customer. But Verizon would have had that
20 same reason, they're mailing address, we had a couple
21 of those changes in March where it went to the wrong
22 customer. And, then, some of the CLECs, who bought
23 other CLECs, you know, we had mailing addresses
24 problems, in February and March, and those were
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1 corrected in April and May. But, when we rendered the
2 bills in February, we went one-for-one match.

3 MR. FALCONE: Okay. Thank you.

4 BY THE WITNESS:

5 A. (Allen) I'd like to make one clarification, as far as
6 the "all bills gone out", I think the answer that was
7 given is accurate. There were a number of bills, on
8 both the resale, on listings, and on some usage that
9 have gone out recently. So, if you have heard in the
10 past that some of those bills had not gone out, that
11 may be the reason for the discrepancy.

12 A. (Bergeron) Yes. There's also -- There are issues that
13 we have been working through recently with -- that are
14 customers who, in fact, did have the wrong address or
15 things like that as well in the resale area. So, we've
16 been working through those issues to get to the right
17 customers.

18 BY MS. BAILEY:

19 Q. So, if a CLEC hasn't received an access bill from you,
20 can they assume they don't owe it to you?

21 A. (Block) There is CLECs coming in, setting up service,
22 and having interconnection with us. And, I would start
23 seeing those records and bill them interconnection, so
24 --

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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 [Court reporter interruption]

2 BY THE WITNESS:

3 A. (Block) Well, if a CLEC sets up service here, and I'm
4 seeing terminating records on recip. comp. coming
5 through the usage process, I would set up a bill and
6 bill them based on industry information. So, I don't
7 know if it's -- I would say that, if they haven't
8 gotten a bill, they will never get a bill from me.
9 So...

10 BY MR. HUNT:

11 Q. Are all wholesale and resale bills being delivered on
12 time?

13 A. (Block) Again, coming out of CDG, I would say that the
14 bills are being rendered per our schedule, planned
15 delivery, and we became current I think the first week
16 in March. So, those bills are being rendered on time.
17 Dave can speak to the reseller ones.

18 A. (Bergeron) Yes. Much the same. I mean, the resale
19 bills take place at the same time as all other bills on
20 the same cycles within Kenan. And, they are rendered
21 in a timely manner. The delivery, we're still working
22 through some of the electronic feed deliveries, but the
23 invoices do get posted up on the internet.

24 Q. Do you know how many wholesale billing disputes and
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1 resale billing disputes are pending?

2 A. (Block) I do not.

3 A. (Bergeron) No. I myself don't know either right now.

4 I don't have the information here in front of me. We
5 can get that information.

6 A. (Nixon) I think that's an oral request.

7 MS. BAILEY: We just weren't clear
8 whether they were going to be prepared to answer that
9 today or if not.

10 BY MR. HUNT:

11 Q. Can you describe the process for resolving those
12 disputes?

13 A. (Block) From my perspective, the disputes would go into
14 Rich Murtha's organization. And, their team would try
15 to resolve it based on access to the billing system.
16 If they had issues that needed escalation, they would
17 come to me, and then my team, working with CDG, the
18 vendor, would try to resolve the issue.

19 A. (Bergeron) And, from the resale side, I take my lead
20 basically from Pat, Pat is my customer, essentially, to
21 deliver the resolution to the customers, the end
22 customer. So, Pat brings me the issues that come in
23 from the wholesale market or the resale market.

24 Q. So, if it's a resale account with a billing dispute,
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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 and Rich Murtha's organization can't resolve it, then
2 it goes to Pat. And, Pat, you take it to Mr. Bergeron?
3 Sorry, I don't know your first name.

4 A. (Bergeron) Yes.

5 Q. And, then, you respond back to Pat, and Pat responds
6 back to Rich Murtha's organization, and then it gets
7 back to the customer, like five hops away?

8 A. (Block) We are just, on reseller accounts, we are just
9 seeing questions about bill format, the data in the
10 bill, we're just starting to see those. So, as those
11 issues come in, we've escalated to Dave. If there's a
12 technical problem with creating the bill, is there some
13 other issue, a rating issue, we're just starting to see
14 the reseller issues now.

15 A. (Bergeron) And, I would add to that that at this point
16 we are collocated, Pat and my group, Pat's group and my
17 group, so we have regular meetings set up throughout
18 the day so that we can work through those issues, or my
19 team and Pat's team. You know, we've got a formal
20 process in place. This is how we work with the other
21 organizations for the other pieces coming out of the
22 retail billing system. And, we receive that
23 information either from, you know, customer escalation,
24 customer service, you know, the various teams. And,

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1 this is the method that's worked for us, on both sides.

2 A. (Block) Yes, I just should add, Dave is right, his team
3 and my team sit together, but we just moved into the
4 same building where Rich Murtha is, and we do
5 communicate by email a lot, but now we're just down the
6 hallway if something really escalates quickly. And,
7 so, we're all in the same location now.

8 MR. HUNT: Does anyone from Staff have
9 any additional questions for Mr. Bergeron or Mr. Block?

10 BY MR. GOYETTE:

11 Q. You were describing -- Hi. This is Dave Goyette. I'm
12 not clear on the process. I got sort of a quick
13 overview, but I really don't understand the steps of
14 the resolution. What actually takes place? How does
15 the -- how does the team person administer that,
16 administer the issue, and then communicate back? Tell
17 me more.

18 A. (Bergeron) Okay. I mean, based on any issue that comes
19 into the resale bills, if it's a question of a
20 complaint where maybe a BDT hasn't been able to be
21 opened or they haven't -- a customer hasn't received
22 their BDT or, you know, charge disputes. Typically,
23 the charge disputes are handled upstream. They're
24 handled in Rich Murtha's organization, just by, you

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1 know, getting the appropriate rate, pushing those
2 through that way. But, if it comes to my team, then it
3 would come through the same process. We work through
4 an issues log that we keep for all issues reported to
5 the retail billing group for -- covering the Kenan app.
6 And, we essentially work through that issues log and
7 just clear that log out. We keep detailed notes on the
8 log about, you know, the status of each of the issues,
9 what the next steps are. And, we just, like I said,
10 daily we have these meetings together, and we go
11 through that log and resolve the issues.

12 BY MR. FALCONE:

13 Q. Dave, could you just define what you mean by "BDT"?

14 A. (Bergeron) Yes. It's essentially an electronic format.
15 It would be similar to like an EDI format.

16 MR. MCHUGH: David, what does "BDT"
17 stand for?

18 WITNESS BERGERON: I think the older
19 acronym was "Billing Data Tape", or maybe our resale folks
20 can help. Yes, it's definitely an older term.

21 MS. MULLHOLAND: We're showing our age.

22 MR. HUNT: Okay. It sounds as though, I
23 think, OCA, do you have any questions for Mr. Bergeron or
24 Mr. Block?

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1 BY MS. HATFIELD:

2 Q. I guess one question I would have is, are you -- do you
3 have responsibility for retail billing?

4 A. (Bergeron) Yes, I do.

5 MR. HUNT: Would you like some time to
6 prepare, and I'll have some other parties ask questions.

7 MS. HATFIELD: Sure.

8 MS. HOLLENBERG: I guess it would be
9 helpful for me to clarify. Is Staff finished with its
10 questions?

11 MR. HUNT: Yes.

12 MS. BAILEY: No. With these guys.

13 MR. HUNT: Yes. Staff is finished with
14 Mr. Bergeron and Mr. Block.

15 MS. HOLLENBERG: Okay. So, I was under
16 the impression that we were back to the one-at-a-time
17 process, and that's why I haven't been preparing to
18 question any witnesses up to this point. So, I mean, if
19 you want, we can try and identify if we have any questions
20 for these witnesses, but I guess I wasn't prepared to do
21 that, based on what was said earlier.

22 MR. HUNT: If it's acceptable, we'll
23 just keep Mr. Bergeron and Mr. Block on the panel then and
24 allow for questions, after we finish, after Staff

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1 finishes?

2 MS. HATFIELD: Sure.

3 MR. HUNT: Will that allow you to
4 prepare?

5 MS. HOLLENBERG: That's fine. I'm open
6 to do it either way. I guess the rules of the game keep
7 changing, and I'm just trying to figure out how to respond
8 when that happens.

9 MS. HATFIELD: And, questions that we
10 had originally thought might be for Mr. Allen now might be
11 more appropriate for them. But what we'll plan to do is
12 direct them to Mr. Allen and -- since they are here, which
13 we hadn't contemplated originally.

14 WITNESS NIXON: The witnesses can stay.

15 MR. MCHUGH: Yes.

16 MS. HATFIELD: Thank you.

17 MR. MCHUGH: Why don't we just have
18 Staff, have you, Attorney Hunt, finish with your
19 questions.

20 MR. HUNT: I will. Thanks.

21 MR. MCHUGH: Thanks.

22 MR. HUNT: And, certainly, I apologize,
23 if the rules appear to be changing. I'm doing the best I
24 can.

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1 MS. HOLLENBERG: That wasn't an
2 indictment of you.

3 RE: ORGANIZATION

4 BY MR. HUNT:

5 Q. The next area that we have questions about is with
6 regard to just generally the organization. If you
7 could please describe the most recent changes in
8 management and the roles of Vicky Weatherwax, Jeffrey
9 Allen, and Peter Nixon.

10 A. (Nixon) Sure. Let me take the one on myself. And,
11 that's Peter Nixon. And, that is that the fact that
12 we've changed and Mr. Hauser is put in place, I will
13 now be responsible for the regulatory activities,
14 external affairs activities throughout FairPoint, as
15 well as the Telecom group, and responsible for also the
16 stimulus and the supply chain.

17 Q. Describe the telecom group please.

18 A. (Nixon) That would be what we had called the companies
19 owned by FairPoint prior to the Northern New England
20 acquisition.

21 Q. If you could please provide --

22 A. (Allen) Excuse me.

23 Q. Oh, yes. I'm sorry. Go ahead. I apologize.

24 A. (Allen) My responsibilities are for the Northern New

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1 England operations, for Vermont, New Hampshire, and
2 Maine, most of the functions we've talked about today,
3 sales, customer support, IT, billing, all the field
4 technicians, and engineering. Which is more in line
5 with my background and with different things that I've
6 done in the past.

7 Vicky Weatherwax was appointed as the
8 Vice President of Business Solutions. And, as was
9 described I think primarily by Mr. Haga, her role
10 specifically is to look at the different applications
11 and systems that we have in place, the different
12 processes we have in place, look for any issues that
13 currently exist, and different vehicles that we can use
14 to accelerate the improvement. And, where there is
15 gaps in our ability to do that, such as what we found,
16 for example, with Aricent, is bring in different folks
17 that have that specific expertise to accelerate our
18 improvement.

19 Q. Could you please describe how Vicky Weatherwax and her
20 responsibilities will help address FairPoint's current
21 problems?

22 A. (Nixon) Sure. I think, as Mr. Allen just described,
23 Vicky has been assigned the responsibility to look
24 throughout the entire organization. And, the best way

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1 to describe that would be from an east/west
2 perspective, from the time an order is entered into the
3 system, all the way to when the order is completed, the
4 service is installed, and billing takes place, the cash
5 is received, and the entire process east to west. Her
6 responsibility then is to look at the processes of the
7 systems, the training, all aspects of the business, to
8 identify what's required to accelerate the effort to
9 bring in the business, those aspects are not at
10 pre-cutover levels, up to pre-cutover levels, and then
11 take it beyond. And, she reports to the CEO at this
12 time.

13 Q. Is she developing a formal plan?

14 A. (Nixon) She is.

15 Q. And, when do you expect to see that?

16 A. (Nixon) She is working throughout the organization now.
17 I do not know exactly when the plan will be, I know she
18 has a sort of draft of what she's contemplating that
19 will be in the plan. I do not when it will be there,
20 when it will be complete. I know it does have a very
21 high level of visibility, high level of urgency. And,
22 I don't know if she's set a date by when she will have
23 the plan complete.

24 Q. To what extent do you expect that FairPoint will be

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1 willing to share that plan?

2 A. (Allen) I can answer that. I think we agreed to share
3 that plan with the three states as soon as it is
4 complete. I know we've committed to do that.

5 A. (Nixon) Right.

6 Q. What were the reasons for the recent management
7 changes?

8 A. (Nixon) I think Mr. Hauser said it well. It provided
9 the opportunity for a focus on the aspects of the
10 business and the Northern New England operations, and
11 having Mr. Allen in charge and responsible and
12 accountable for those operations, allow him to
13 singularly focus in those areas, and that would be his
14 undivided effort.

15 Q. What have the changes in management accomplished to
16 date?

17 A. (Allen) I don't know that within a two-week period
18 there's going to be a long laundry list of differences
19 and changes that have been put in place. I think
20 there's been some identification of some opportunities
21 and prioritization of those opportunities with the
22 focus on just the three states. And, I can speak for
23 the portion that I have. I think that that has, in
24 fact, taken place. As I mentioned before, we're

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1 looking at different ways we can look at improving our
2 processes on an end-to-end basis, with the intention of
3 ultimately delivering service at a much higher level
4 than what was pre-cutover. And, again, I couldn't give
5 you a laundry list of different things that have
6 transpired in the last two and a half weeks. But
7 that's the progress that's been made and that's where
8 the focus is.

9 BY MS. BAILEY:

10 Q. Are you developing a plan that's identifying the
11 opportunities and taking -- and formalizing what steps
12 should be taken to take advantage of those
13 opportunities?

14 A. (Allen) Yes.

15 Q. Would you be willing to provide that when it's
16 complete?

17 A. (Allen) I would be willing to provide it when it's
18 complete, yes.

19 Q. And, do you have any estimated time for about how long
20 that will take?

21 A. (Allen) Understanding that the plan is being built from
22 an operating standpoint and what we can achieve in the
23 primary areas, it would not be a long document, but
24 rather a operating -- almost bullets of different

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1 identified opportunities, different changes,
2 potentially, in the way we're structured to accomplish
3 things, I expect that that would be done within the
4 next two weeks. And, we'd be glad to share it, as long
5 as the expectation is it's not going to be a full-blown
6 report, it's going to be much more of an internal
7 operating plan.

8 MS. BAILEY: Okay. Thank you. And, I'm
9 not asking you to rush it. I want you to do a thorough
10 job.

11 WITNESS ALLEN: Okay.

12 MS. BAILEY: Thank you.

13 BY MR. HUNT:

14 Q. Does FairPoint have any plans to increase or decrease
15 personnel to address the ongoing problems and reach
16 "business as usual" in all areas?

17 A. (Allen) There are current plans underway in certain
18 areas that we've already identified to both increase
19 and decrease personnel to perform at a higher level.
20 And, I would assume -- or, I'm quite certain that over
21 time there will be additional increases and decreases
22 and changes in shifts in the normal course of business.
23 But there are specific plans in a couple of areas, many
24 of which I think we described on Tuesday, for example,
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1 the additional people in the Business Support Center.
2 As additional folks and some of the bubble force in
3 some of the areas that we have been able to automate,
4 workaroud areas, more from a contractor perspective,
5 as a matter of fact, entirely from a contractor
6 perspective, that we would be phasing out as those
7 areas are automated.

8 Q. Are you able to quantify what the total change in the
9 number of FairPoint personnel has been between cutover
10 and now?

11 A. (Allen) Yes.

12 Q. What has that change been?

13 A. (Allen) I don't know have those numbers with me. I
14 believe we supply those on a monthly basis. But I
15 certainly can get a latest update.

16 Q. I would ask that you do that please.

17 MR. MCHUGH: And, Rob, so it's "quantify
18 the change in personnel from pre-cutover to now?"

19 MR. HUNT: Yes. And, Ms. Bailey just
20 mentioned, it would helpful if you could break out the
21 contractors from the personnel.

22 WITNESS ALLEN: Okay.

23 BY MR. HUNT:

24 Q. What, if any, are the primary recommendations from the
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1 Heifetz, Halle Consulting Group that FairPoint has
2 actually implemented?

3 A. (Nixon) There were several. First was the
4 recommendation that the business units take greater
5 ownership of the applications. And, Mr. Haga, as he
6 was talking about the KPMG report, addressed that
7 partially, that one recommendation turned up in both
8 places. As a result, and that the business units have
9 taken on the responsibility, if you will, of a Tier 1
10 resource, whereby questions within a work group, within
11 a work organization, staying within that group, with an
12 expert within it, to determine whether it's a system
13 issue app, whether it's a training issue or a process
14 issue. Those items then that are system issues are
15 referred to a colleague in the IT organization for a,
16 if you will, a Tier 2 approach. It allows the -- and
17 the business owners to have greater accountability for
18 their applications, and a cleaner and more precise way
19 to manage through system issues with the IT
20 organization. That would be one.

21 Number two, that there was a discussion
22 of a need for a better collaboration/coordination in
23 the NGN, the Next Generation Network, between the teams
24 that were implementing it and the teams that were

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1 designing it. And, that has indeed taken place, both
2 in the organization and how that structure has been put
3 in place. There was a discussion of the need to, at
4 that time, provide some relief to managers and those
5 that were putting in a significant amount of overtime,
6 in a way to give them some relief on the personal side.
7 And, that was accommodated through different areas to
8 cover people as they were taking time during the late
9 March/early April timeframe. Those were some of the
10 key recommendations that came out of that report.

11 There was one more. And, if you don't
12 mind, it's occurred to me, I apologize. It's been a
13 while since I looked at it. There was a recommendation
14 that we take and better utilize the expertise within
15 the Company, particularly associates, as we look to
16 solve the issues. And, the issue that comes to mind,
17 there was at one point a very large number of DSL
18 trouble tickets that had not been -- that had
19 accumulated, had not been closed out. There were
20 several working sessions with the associates, with the
21 managers, a completely different approach was put in
22 place. And, they were able to bring that either down
23 to or down to almost to pre-cutover levels in a very
24 short order, predominantly by working in a more

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1 collaborative way with the associates.

2 Q. Thank you. Following up on the discussion about bill
3 credits with you, Mr. Nixon, can you tell us whether
4 the employees in Mobile, Alabama will be relocated to
5 Portland?

6 A. (Nixon) I believe my comment there was there was the
7 positions of the employees that work on payment
8 applications for the CDG lock box and that interface
9 would be moving to Portland, because their counterparts
10 in collections are located in Portland. However, the
11 other ones would remain in Mobile.

12 BY MS. BAILEY:

13 Q. The question -- I understand that. The question is,
14 "will the same number of employees that are doing that
15 function in Mobile, Alabama now, be located in Portland
16 and added to the staff in Portland?"

17 A. (Nixon) Yes, ma'am.

18 Q. Are they the same employees? Are they relocating?

19 A. (Nixon) No. They're contractors today --

20 Q. Okay.

21 A. (Nixon) -- in Mobile.

22 Q. Yes.

23 A. (Nixon) And they will be employees located in Portland.

24 Q. Okay. And, how many people are involved?

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1 A. (Nixon) It's a small number. It's a handful of people
2 or less.

3 Q. Okay. Thank you. But it's going to be one-for-one?

4 A. (Nixon) Yes, ma'am.

5 MS. BAILEY: Thank you.

6 BY MR. HUNT:

7 Q. What customer satisfaction surveys has FairPoint done
8 since cutover, if any?

9 A. (Allen) There's none that I'm aware of.

10 A. (Nixon) None.

11 Q. Does FairPoint have any intention of doing any?

12 A. (Nixon) We were -- We were looking at a process whereby
13 we would look at, and I don't believe it's started yet,
14 it's a customer loyalty program. And, the premise is a
15 contract with a customer whereby they would rate you on
16 their willingness to recommend you to another customer.
17 And, I can't remember right now what the program, the
18 name of that is, certainly I can find out. But it is
19 -- it's been used around the country very successfully.
20 And, it is -- that's the central premise is "what is
21 their willingness to recommend us to somebody else?"

22 RE: FINANCIAL CONDITION

23 BY MR. HUNT:

24 Q. This session today and Tuesday is not intended to
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1 address financial issues, but I do have a question that
2 relates to the financial condition of FairPoint. And,
3 that is, what effect, if any, is FairPoint's financial
4 condition having on its ability to return to "business
5 as usual"?

6 A. (Nixon) I think we've been, in public, indicated that
7 the cost to return -- our cost to -- post-cutover costs
8 have been more than we had anticipated, but we have not
9 reduced those in such a way as to impact our ability to
10 return to pre-cutover levels. We have maintained
11 contractors for an extended period of time that we had
12 not planned to. We have maintained a bubble force for
13 an extended period of time that we had not originally
14 planned to. So, we are not jeopardizing or slowing
15 down or impeding our efforts to return to pre-cutover
16 levels. And, those that were scheduled to leave that
17 we have kept on.

18 BY MS. BAILEY:

19 Q. And, what about the capital investments that were
20 committed to, the broadband deployment and the CapEx
21 spending for the first year and the second year, how
22 are you doing on meeting those commitments?

23 A. (Nixon) We are meeting the CapEx commitments that we
24 made, and we will plan to.

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1 Q. And the broadband commitment?

2 A. (Nixon) Yes, ma'am. I know, as I've said, I know we
3 have a desire to meet with you and your group
4 separately to talk about where we are in the
5 development of that. And, we'd like to do that in the
6 next couple weeks, just to bring you back up to speed
7 of where we are. But our commitment remains.

8 MS. BAILEY: Thank you.

9 MR. HUNT: Believe it or not, Staff has
10 no further questions, except for the ones remaining for
11 Mr. Haga. So, OCA?

12 MS. HATFIELD: Thank you.

13 BY MS. HATFIELD:

14 Q. Mr. Allen, I have some follow-up questions for you with
15 respect to the Stabilization Plan dated July 8th. Do
16 you have that in front of you?

17 A. (Allen) Yes.

18 Q. And, right in the very beginning, on the -- first of
19 all, I think you, on Tuesday, you identified yourself
20 as the author of this, is that correct?

21 A. (Allen) That is correct.

22 Q. And, on the second sentence, you say the purpose of
23 this plan is to basically return to "business as usual"
24 or the purpose of the Stabilization Plan was to "return

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1 us to "business as usual" by the end of the second
2 quarter of 2009", is that correct?

3 A. (Allen) That's correct.

4 Q. And, I know there has been a lot of discussion today
5 about what is "business as usual", and I hope you don't
6 mind me repeating it again. But, just so I understand,
7 "business as usual", in your mind, sounds like it means
8 the level of service that FairPoint was providing prior
9 to cutover. Do I have that right?

10 A. (Allen) That's correct. For the purposes of this plan.

11 Q. Right. And, you've established that that's not your
12 aspirational goal, but "business as usual" itself?

13 A. (Allen) Right.

14 Q. Are you familiar with the Settlement Agreement that
15 FairPoint entered into with Staff and Verizon in this
16 docket?

17 A. (Allen) I'm aware of it. I would not necessarily say
18 I'm intimately -- that I know the details of it.

19 Q. Are you familiar with the fact that there is an
20 exhibit, Exhibit 3, which is referenced in the overall
21 Settlement that was approved by the Commission,
22 references FairPoint's retail quality of service
23 commitments?

24 A. (Allen) I'm familiar with retail quality of service

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1 commitments, but I'm not familiar with that
2 specifically.

3 Q. Okay. I'm going to hand out a copy of that. I don't
4 intend to make it an exhibit, but we can do that if
5 that would be easy for people. And, I'm not intending
6 to ask you any specific questions about the standards
7 in this document, although I do think it would be good
8 for you to get familiar with it. My question is, if
9 the Stabilization Plan is geared toward getting
10 FairPoint to pre-cutover levels, do you understand that
11 those pre-cutover levels may not necessarily meet the
12 service quality requirements that the Commission has
13 ordered you to comply with in calendar year 2009?

14 A. (Allen) I quite honestly would not know if the specific
15 measurements that are in here were being met or not met
16 pre-cutover.

17 Q. So, perhaps it was Mr. Nixon who testified on Tuesday,
18 that you understand that FairPoint is not currently
19 meeting service quality levels. Was it you?

20 A. (Nixon) I believe I said we were -- the question was
21 asked by Ms. Bailey whether we were meeting the SQI
22 standards, and I said that we were not meeting all of
23 them at this time.

24 Q. So, for Mr. Nixon or Mr. Allen, once you achieve
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1 "business as usual", does the Company currently have
2 any planning process under way in order to go beyond
3 that and to actually meet what's required of you in the
4 Commission's order?

5 A. (Allen) Yes.

6 Q. And, where are you in that planning process?

7 A. (Allen) We're in the -- there's a person responsible
8 for looking at all of the SQI measurements, where we
9 currently are with those, how we're tracking with
10 those, and has now engaged the different organizations
11 that can impact those, as far as identifying what
12 changes need to be made so that they can reach those.
13 One of the questions that was asked Tuesday was "did we
14 have a specific plan and timeline on when we were going
15 to meet those?" And, I'm not familiar with that at
16 this particular point in time.

17 Q. And, who's the person that has responsibility for that?

18 A. (Allen) Her name is Janet Brack.

19 Q. How do you spell her last?

20 A. (Allen) B-r-a-c-k.

21 Q. Thank you. And, who does she report to?

22 A. (Allen) She reports to me.

23 Q. And, is she familiar with the objectives that you
24 created in the Stabilization Plan?

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1 A. (Allen) Yes.

2 Q. And, is she looking at how those objectives that you
3 developed relate to what the Company has to meet under
4 the Commission's order?

5 A. (Allen) She would not, nor would I. The objectives
6 that were set up in the Stabilization Plan, in many
7 instances, were surrogates, measurements for making
8 progress, as opposed to end results that are typically
9 noted in a SQI measurement.

10 BY MS. HOLLENBERG:

11 Q. Mr. Allen, as the person responsible for this Status
12 Report, would you say that it's true and accurate to
13 the best of your knowledge?

14 A. (Allen) Yes.

15 Q. And, if I could have you turn to the first page of the
16 Status Report -- actually, Page 2 please. It's
17 Exhibit 1. Before we turn to that, I guess what we've
18 heard in the last couple of days of tech session have
19 been some qualifications to the contents of the
20 Stabilization Report. So, I guess I'm wondering how
21 you reconcile your statement that it's true and
22 accurate to the best of your knowledge with those
23 qualifications that you've made since Tuesday?

24 A. (Allen) Could you be more specific?

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1 Q. Sure. I think at one point in time we were talking
2 about flow-through percentages.

3 A. (Allen) Yes.

4 Q. And, you had stated actually that, not only were the
5 numbers in this document, but numbers in another
6 document were not accurate reflections of the status of
7 flow through. And, at that point in time, I had asked
8 you to provide us with the numbers that you were
9 relaying at that point in time. Do you remember that?

10 MR. MCHUGH: I don't think that's what
11 the testimony reflects. And, I'll make an objection and
12 say his testimony on Tuesday will stand on its own. If
13 you have question you want to ask him, that's fine.

14 MS. HOLLENBERG: Certainly.

15 MR. MCHUGH: But, to characterize his
16 testimony, I don't think it's fair.

17 MS. HOLLENBERG: Your witness asked me
18 to give him an example and that's what I was doing,
19 Mr. McHugh.

20 MR. MCHUGH: No, I don't think you were.

21 MS. HOLLENBERG: Okay.

22 BY MS. HOLLENBERG:

23 Q. Why don't you give me an example of instances where
24 this report does not reflect the accurate -- the true

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1 and accurate status of FairPoint's current
2 circumstances?

3 A. (Allen) I will use flow through.

4 Q. Okay.

5 A. (Allen) And, in flow through, the numbers that I used
6 were at a point in time which were accurate. There
7 were two different ways that we had measured flow
8 through through the process of the Stabilization
9 Report. We had notified the three states of the
10 deficiencies of measuring it that way, and were asked
11 not to make any changes to that. So, for the purposes
12 of this report, I took the most current, latest, and
13 accurate information, based on the way that we showed
14 flow through, and put it in the report. I also noted,
15 as I have again in testimony, that I believe there is a
16 better way, a more accurate way of measuring flow
17 through than the vehicles that we use that we had set
18 up starting in March.

19 Q. Okay. And, so, that said, I guess what I'm hearing you
20 say, and you can tell me if this is wrong or right or
21 correct or yes or no, the stabilization Report of
22 July 8th was true and accurate as of that date?

23 A. (Allen) That is correct.

24 Q. And, is it true and accurate as of today's date?

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- 1 A. (Allen) All of the numbers between July 8th and today
2 would have changed.
- 3 Q. Okay. So, is it a true and accurate -- if you were
4 asked to provide this information today, would this be
5 your testimony today?
- 6 A. (Allen) No. Every single number on here would change,
7 as it does daily, or, in the case of monthly numbers,
8 would have changed monthly.
- 9 Q. Okay. Thank you. If you could just look at Page 2 of
10 the Status Report. And, you would agree that the first
11 table is a table that relates to the Consumer Call
12 Center?
- 13 A. (Allen) That's correct.
- 14 Q. And, the first measurement in that table is "Percent
15 Calls Abandoned".
- 16 A. (Allen) That is correct.
- 17 Q. Okay. How did you develop the objective of
18 "5 percent"?
- 19 A. (Allen) The "5 percent objective" had been a standard
20 that had been utilized for some period of time
21 throughout the three states.
- 22 Q. Okay. So, that was a pre-cutover number?
- 23 A. (Allen) That's correct.
- 24 Q. Okay. Thank you. And, who was responsible for
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1 choosing that objective?

2 A. (Allen) I was.

3 Q. Okay. Did you get any assistance from any of the state

4 staffs, New Hampshire, Vermont, Maine Public Utilities

5 Commission, Capgemini or Liberty in deciding what that

6 objective would be?

7 A. (Allen) Yes.

8 Q. Okay. And, could you describe that assistance?

9 A. (Allen) When the objectives were given out, we had a

10 call with the three states and Liberty. We discussed

11 what those objectives were. In most instances, we left

12 them where they were. And, in some instances, we

13 changed them based on feedback that they provided.

14 Q. Okay. Do you know if this is one of those that you

15 changed based on feedback?

16 A. (Allen) We did not.

17 Q. Thank you. Could you explain how the percentages for

18 March and June were calculated?

19 A. (Allen) Yes. The number of calls that entered the

20 center that were abandoned, so they did not reach a

21 customer service rep was the measurement. We took the

22 results for all the total calls that came in in the

23 month of March, and did math with that, as far as the

24 number of calls that were not answered. In June, we

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1 did the same thing. It was a combination of all of the
2 milestone reports that we had delivered and made
3 public. We took the total number of calls that took
4 place during that period of time, the total number of
5 calls that were answered or abandoned, and came up with
6 a percentage.

7 Q. So, the June number is based on milestone reports and
8 the March number, you did a calculation that was not
9 based on a milestone report, because you weren't doing
10 milestone reports at that point in time?

11 A. (Allen) I used the same core information that generated
12 the milestone reports in June. It's the same core
13 information I used to do the March information.

14 Q. Okay. And, that leads me to my next question. What
15 was that core information? What was the data that you
16 used? Where did it come from? What system?

17 A. (Allen) Okay. There's a Daily Report that we get out
18 of a system we call "Genesis" or it's named "Genesis",
19 that gives us all of our call center data information.

20 Q. And, I presume that you can query it for a report that
21 will generate the data that you're looking for?

22 A. (Allen) We have a metrics team that, on a daily basis,
23 actually several times during the day, provides
24 information on the status of the call centers.

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1 Q. And, is "Percent Calls Abandoned" a query that you can
2 enter into that system or do you have to design a
3 specific query to get that information?

4 A. (Allen) How it was originally designed, I don't know.
5 But it is a standard report that we get.

6 Q. Okay. The Genesis system, has FairPoint experienced
7 any problems with this system since cutover?

8 A. (Allen) Yes.

9 Q. And, have you had any manual workarounds in this
10 system?

11 A. (Allen) No. If the Genesis system is not working, it's
12 not delivering calls to the reps. And, in the early
13 part of cutover, we had a couple of instances where the
14 system had a problem, calls were not being delivered to
15 the desktop. And, we had to take care to fix that.

16 Q. Was it a manual fix?

17 A. (Allen) It was a system fix.

18 Q. Okay.

19 A. (Allen) Either a system or network, I don't know which
20 one.

21 Q. Are there other types of calls that have occurred in
22 that system since cutover, besides the fact that calls
23 were not delivered?

24 A. (Allen) Are there other types of -- I'm sorry?

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1 Q. Other types of problems, I'm sorry.

2 A. (Allen) Not that I'm aware of.

3 Q. Do you have any pending requests with the FairPoint IT
4 or Capgemini for fixes or changes to the Genesis
5 system?

6 A. (Allen) Not that I'm aware of.

7 Q. And, just for the sake of time, I guess, the next
8 section relates to "Repair Call Center". And, you'll
9 see that the first measurement is "Percent Calls
10 Abandoned". Would your answers with regard to the
11 Consumer Call Center be the same as with those, with
12 this measurement and the objective and the
13 measurements?

14 A. (Allen) Yes.

15 Q. Okay.

16 A. (Allen) With one exception.

17 Q. Okay.

18 A. (Allen) The original objective that we had set for the
19 Consumer Call -- for the Repair Center was a higher
20 number than this. And, upon consultation with the
21 states and Liberty, we lowered it to a more aggressive
22 number.

23 Q. Thank you. Going back, back to the Consumer Call
24 Center for the "Average Wait Time" measurement, I'm

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1 going to kind of walk you through the same questions.

2 The objective, how was that developed? Was that a

3 pre-cutover number? Was that an estimate?

4 A. (Allen) That was an estimate based on what we believed

5 to be an industry number. But it was an estimate from

6 us.

7 Q. What would be the source of your industry number

8 information?

9 A. (Allen) It was feedback from people that have been in

10 the call centers for some period of time.

11 Q. Thank you. And, the March results and June results,

12 how were they calculated?

13 A. (Allen) All of the calls that came into the center that

14 were answered, each call has a clock that's associated

15 with it and plots the time. We look at how fast every

16 call is answered. There's a lot of different

17 measurements, such as longest wait time, and one of the

18 measurements is average wait time. The average period

19 of time the customer waited to talk with one of the

20 customer service reps.

21 Q. So that represents an average number?

22 A. (Allen) That's correct.

23 Q. Has the objective for average wait time changed since

24 cutover?

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1 A. (Allen) It was not a specific measure that we reported
2 on that I'm aware of before cutover.

3 Q. Uh-huh.

4 A. (Allen) It became a very important measurement with our
5 objective of making sure that we could talk to our
6 customers. So, we instituted it as part of the
7 Stabilization Plan.

8 Q. Has it changed, though, since the Stabilization Plan
9 was created?

10 A. (Allen) The results have changed dramatically, yes.

11 Q. And, the objective, though? That's what I'm asking
12 about.

13 A. (Allen) I would say the answer to that is "no".

14 Q. Thank you. How about the objective for percent calls
15 abandoned, for both the Consumer Call Center and the
16 Repair Call Center, have either of those objectives
17 changed since you implemented the Stabilization Plan
18 process?

19 A. (Allen) No.

20 Q. Thank you. And, you mentioned, for the average wait
21 time, that there was a call -- a clock associated with
22 each call. I presume that's a system function?

23 A. (Allen) That is correct.

24 Q. Okay. And, so, what is the system that handles those,

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1 that tracks that time?

2 A. (Allen) It's all part of the same call delivery system
3 that I described before.

4 Q. That's the Genesis system?

5 A. (Allen) Yes.

6 MS. HOLLENBERG: Okay.

7 BY MS. HATFIELD:

8 Q. Mr. Allen, with respect to that clock that runs, if a
9 customer calls one, calls, say, the Consumer Call
10 Center, and then gets transferred to the Repair Call
11 Center, does the clock keep running or does a new clock
12 begin?

13 A. (Allen) There's a variety of ways a call can go from
14 one center to the other, and it would depend on that.
15 So, let me, if I can give you three examples of how it
16 would work. If a call went into one center, and, in
17 some instances, what will happen is the expert that
18 needs to help that particular customer is either in a
19 different center or in a different part of the
20 organization. If the customer service rep puts a call
21 into that person that can help, and stays on hold with
22 the customer, which happens some of the time, then the
23 total time that would be -- the total time that would
24 be calculated would be the time that the customer

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1 service rep was on with the customer.

2 In some instances, there is not a
3 transfer capability between the centers. In which
4 case, the call would be completed in one of the
5 centers, it would ended, and the customer would call
6 another center or another number. In that instance,
7 you'd have two separate distinct results for those two
8 particular calls.

9 The third thing that could occur is a
10 customer would call into one center. They would need
11 some assistance from another area, person or center,
12 and the call would be transferred. In that particular
13 case, the call would be completed in the center that it
14 was initiated, and I don't know what the status would
15 be in the center or the person it would go to.

16 BY MS. HOLLENBERG:

17 Q. So, you don't know, in that instance, whether or not
18 the clock would restart or it would keep ticking?

19 A. (Allen) Well, the clock in the -- the clock that we're
20 referring to, which is the average wait time, --

21 Q. Uh-huh.

22 A. (Allen) -- it would have stopped, if you will, for that
23 piece of it when the first customer service rep
24 answered the phone, because they would have answered

[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 the phone, there was no longer any wait time.

2 Q. Uh-huh.

3 A. (Allen) Under a different measurement that we have, we
4 measure a handle time. And, that's what I'm unclear
5 on. In the first instance, the handle time would
6 continue on, in the second time it would end. If I
7 transferred a call to another center, it would end in
8 the first center. I'm not completely sure what would
9 happen in the second center, how it's measured.

10 BY MS. HATFIELD:

11 Q. And, is handle time reported in this report?

12 A. (Allen) It was not reported in this particular report,
13 nor was it provided in the milestone reports. I
14 believe it was in the daily reports or is in the daily
15 reports.

16 BY MS. HOLLENBERG:

17 Q. For the "average wait time" measurement and objective,
18 were these developed with any assistance from any of
19 the state staffs or Capgemini or Liberty Consulting?

20 A. (Allen) No. They were not established with assistance
21 from the states, Liberty, or Capgemini. They were
22 reviewed, as all the objectives were, with those same
23 constituents, except Capgemini. They were really not
24 involved in the assessment or review of any of the

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1 objectives.

2 Q. So, they were reviewed with them, but not -- you didn't
3 take feedback from them on that particular --

4 A. (Allen) I took feedback on any of the particular
5 objectives. But I think the question was "were they
6 consulted in the establishment of the objectives?" I
7 established the objectives. It went through the same
8 processes as your first question, as far as the "calls
9 abandoned". And, in some instances, they may have been
10 adjusted. I established it before that occurred, and
11 then we had the discussion.

12 Q. Okay. So, I guess to, for the sake of time, would it
13 be fair to say that all of the measurements and
14 objectives in this Stabilization Plan and the Status
15 Report were developed in consultation with the staffs
16 of the three Public Utilities Commissions and Liberty
17 and Capgemini?

18 A. (Allen) No. To be clear, the establishment of the
19 objectives was done by FairPoint. The review of the
20 objectives was done with the three states and Liberty,
21 not with Capgemini.

22 Q. And, you re-established them after you reviewed them?

23 A. (Allen) We made a few changes. The majority of the
24 objectives did not change after that consultation.

[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 MS. HOLLENBERG: Okay.

2 BY MS. HATFIELD:

3 Q. I'm looking at a daily report, and I won't discuss the
4 numbers at this time. But you report "average call
5 length". Would that be the "handle time" that you were
6 referring to?

7 A. (Allen) That's correct.

8 MS. HATFIELD: Thank you.

9 BY MS. HOLLENBERG:

10 Q. And, I'm not sure I asked this question. But, for the
11 average wait time, was that adjusted after you
12 established it and then reviewed the objectives with
13 the Commission staffs and Liberty?

14 A. (Allen) For repair, it was. It was not for the other
15 two areas.

16 Q. Thank you. Could you please turn to Page 4 of the
17 Status Report update dated July 8th, which is
18 Exhibit 1. You would agree that there's a table in the
19 top quarter of the page, and it is -- actually, I'm
20 sorry. Strike that. I would like you to refer to the
21 table at the bottom of the page, which relates to "Flow
22 Through Processing", would you agree with that?

23 A. (Allen) I see it, yes.

24 Q. Okay. The first measurement is for "retail POTS",

[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 which is Plain Ordinary Telephone Service, do you
2 agree?

3 A. (Allen) Correct.

4 Q. And, the objective is "90 percent". Could you tell me
5 how you developed that objective?

6 A. (Allen) It was a estimate that I placed on it, without
7 any industry or historical background. Let me make one
8 small correction. I shouldn't say "I put on it". It
9 was -- FairPoint came up with that number as the best
10 number to utilizes.

11 Q. But you were responsible for choosing the objective?

12 A. (Allen) I was, and I agreed with it.

13 Q. Thank you. And, have you -- has FairPoint changed this
14 objective since implementing the status --
15 Stabilization Plan process?

16 A. (Allen) No.

17 Q. You didn't make any changes after consultation with
18 Staff or Liberty about this objective?

19 A. (Allen) No.

20 Q. And, could you explain how the percentages for March FT
21 and current FT or current flow through, how those were
22 established or what were calculated?

23 A. (Allen) Yes. The flow-through percentage that was
24 utilized, and let me start with the current, because

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1 that, where these numbers came from, as I testified on
2 Tuesday, are accurate, maybe not reflective in all
3 instances of what -- the way that we currently measure
4 it internally. And, what this suggested was, for
5 orders that originated in the month of July, that had
6 completed on the date that I pulled this report, which
7 I believe was July 2nd or 3rd, at that particular point
8 in time, 97 percent of those POTS orders showed that
9 they had flowed through. And, I did a similar
10 measurement in March.

11 Q. So, to be clear, the orders were placed between the
12 first of July and the date you pulled the order -- the
13 daily report?

14 A. (Allen) Placed in the month of July and completed in
15 the month of July.

16 Q. Okay. And, the completion date was established by a
17 daily report, is that correct?

18 A. (Allen) Correct.

19 Q. And, for March, it was presumably March 1st and the
20 last daily report of March?

21 A. (Allen) I don't recall exactly where in March I pulled
22 that from. I would assume it was a starting point, but
23 I don't know for sure.

24 Q. And, so, we've talked about, at least for the purposes

[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 of the current flow-through calculation, that the data
2 was from a daily report, either the second or the
3 third. What is the source of the daily report in terms
4 of the system that provides that daily report? Is that
5 also Genesis?

6 A. (Allen) No. I can't couldn't tell you specifically
7 what system it's pulled from.

8 A. (Lamphere) You were talking the daily Commission report
9 that comes out. It's -- To my understanding anyway,
10 there is data that is pulled from the order entry
11 systems, there is data that is pulled from the
12 provisioning systems, and they're compiled using
13 Business Objects Reporting.

14 Q. Thank you. For the order entry system, have there been
15 any problems with this system since cutover?

16 A. (Allen) I think it's fair to say that, since cutover,
17 there have been some issues with every system we've
18 had. I think we've discussed that for quite some time.
19 There's no reason for me to believe, from a reporting
20 standpoint, that there's any reason to believe that
21 these are not completely accurate.

22 Q. Thank you. I didn't ask you that question, actually.
23 But I appreciate that information. So, your answer to
24 that question is "yes"?

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- 1 A. (Allen) Correct.
- 2 Q. Thank you. So, your answer to the question of whether
3 or not there would be problems with the provisioning
4 system since cutover would be also "yes"?
- 5 A. (Allen) Yes.
- 6 Q. Thank you. And, also the Business Objects Report
7 system, "yes"?
- 8 A. (Allen) I don't know that. That's not one I'm familiar
9 with at all.
- 10 Q. Okay. Is anyone else on the panel familiar with that
11 system?
- 12 A. (Lamphere) I'm familiar with it. It's not really a
13 system.
- 14 Q. Okay.
- 15 A. (Lamphere) It's just a reporting tool.
- 16 Q. Okay.
- 17 A. (Lamphere) And, no, I don't -- there's no real known
18 issues that have occurred with them.
- 19 Q. Okay. Thank you. The third measurement in the flow
20 through processing chart is "Retail DSL". And, how did
21 you establish that objective of "90 percent"?
- 22 A. (Allen) That was an estimate that I thought would --
23 that I came up with.
- 24 Q. Did you base that on any industry or historical

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1 background?

2 A. (Allen) No.

3 MS. HOLLENBERG: Okay. Thank you.

4 BY MS. HATFIELD:

5 Q. If we wanted to get a more updated sense of the current
6 flow through, would we look at the daily reports, at
7 the percent provisioning order flow?

8 A. (Allen) No. I think, as we discussed on Tuesday, what
9 we use today is a internal measurement, where we look
10 at orders that were entered in a particular day, go
11 forward to a future point in time past the interval,
12 and then look at all of those orders, whether they have
13 completed or not, to determine what the flow through
14 was. So, you're not subject to timing aspects in the
15 measurement, you're actually going to get what really
16 occurred. And, I believe what we discussed was that
17 may be a very good item to include in the updates that
18 Mr. Nixon is going to put together.

19 MS. HATFIELD: Thank you very much for
20 reminding me.

21 WITNESS ALLEN: You're welcome.

22 BY MS. HOLLENBERG:

23 Q. And, the objective of "90 percent" for "Retail DSL",
24 has that been changed since the first Stabilization

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1 Plan?

2 A. (Allen) I don't know that there's been a formal
3 discussion regarding changing that. My opinion is that
4 I don't believe that 90 percent is, at this particular
5 point in time, a realistic objective, nor is it one
6 that's necessary to meet the intervals for our
7 customers.

8 Q. Are you contemplating changing that objective in the
9 near future?

10 A. (Allen) The primary measurement that I'm going to
11 utilize to measure the results of the provisioning
12 group that does DSL is the percentage of on-time
13 delivery. And, I will certainly look at the
14 flow-through percentage associated with that and how
15 efficient they are in getting it done. Once we do
16 that, and we see what we're able to attain with the
17 current flow through, then I would be in a position to
18 answer that question.

19 Q. Okay. Thank you.

20 MR. HUNT: I just want to interject for
21 a moment. The stenographer has asked to take a break at
22 around 4:30. So, at your convenience, if we could --

23 MS. HOLLENBERG: Okay.

24 [Court reporter comment regarding

[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 recess]

2 BY MS. HOLLENBERG:

3 Q. And, could you talk to me about how the percentages for
4 March flow through and current flow through for retail
5 DSL were developed or calculated?

6 A. (Allen) All of the measurements were developed using
7 the same information we described with retail POTS.

8 Q. Okay. And, the "Retail Other" objective, before you
9 talk to me about that, what is "Retail Other"?

10 A. (Allen) "Retail Other" is primarily complex orders.

11 Q. Uh-huh.

12 A. (Allen) But it is anything that is not a POTS or a DSL
13 order. It is probably not appropriate even to have an
14 objective for that, because the differential or the
15 variety of orders that are in that particular category
16 would determine what your appropriate flow through
17 would be. It's a much smaller category, as you can
18 tell.

19 Q. And, I presume, based on your answer to the question
20 about the percentages for retail DSL, that the
21 percentages for March flow through and current flow
22 through were developed in the same manner?

23 A. (Allen) That's correct.

24 Q. Thank you. Sorry, my pages aren't stuck together. If
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1 you could turn to Page 5 of the Status Report,
2 Exhibit 1, Staff Exhibit 1, to the section titled
3 "Unsubmitted Orders". Who owns responsibility in upper
4 management for unsubmitted retail orders?

5 A. (Allen) Steve Rush.

6 Q. And, how does FairPoint identify unsubmitted orders?

7 A. (Allen) As a clarification, you're looking for a
8 definition of what an "unsubmitted order" is?

9 Q. I guess I was wondering how you figure out you have
10 one?

11 A. (Allen) Oh. Okay. Every order that is attempted into
12 the system goes into a given place, if you will. It
13 can go into Siebel, and then pass through into
14 Metasolv, and go through to completion. And, if it's
15 got a reason that it needs to be held, it goes into a
16 category that we call "unsubmitted". That's the
17 terminology that we put into it. Within the
18 unsubmitted orders, as I had mentioned on Tuesday,
19 there are approximately 20 different categories that
20 are associated with that. And, they would go into one
21 of those particular categories waiting for an activity
22 or an action to happen, so that they could move into
23 the provisioning cycle.

24 Q. And, where is that data held? What system processes or
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1 holds the unsubmitted categories of orders?

2 A. (Allen) That would be held in Siebel --

3 A. (Lamphere) No.

4 A. (Allen) It's before Siebel.

5 A. (Lamphere) It's before Siebel. Mr. Rush would have to
6 answer that question.

7 A. (Allen) I don't know.

8 Q. Could you find that out for me please?

9 A. (Allen) Certainly.

10 Q. Thanks. And, how do you track the unsubmitted orders
11 once you have them?

12 A. (Allen) There is a group or a few people in Mr. Rush's
13 organization that track the unsubmitted orders daily by
14 the different categories that I described, as well as
15 the aging and timeframe that each order stays in each
16 one of those categories.

17 A. (Lamphere) That's actually a data request we had
18 yesterday, was to identify the median and mean aging of
19 the unsubmitted orders.

20 Q. And, is it also true that you were asked to identify
21 the different -- the retail, wholesale, and other types
22 of orders within that category?

23 A. (Lamphere) There is only retail orders in the
24 unsubmitted.
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1 A. (Allen) Correct.
2 Q. Thank you. Are you able to tell what kind of retail
3 orders are in that, in unsubmitted orders? For
4 instance, would you be able to tell how many POTS
5 orders are there?
6 A. (Lamphere) I don't know. That would depend on how
7 they're being tracked.
8 Q. Uh-huh.
9 A. (Allen) I don't the answer to that.
10 Q. Could you find that out please?
11 A. (Allen) Sure.

12 MS. HOLLENBERG: Thank you.

13 BY MS. HATFIELD:

14 Q. I have a follow up on the flow through, and I'm just
15 trying to figure out how to ask it. So, hopefully,
16 you'll bear with me. One of the things that we've
17 heard anecdotally is that some orders might show as
18 having flowed through, but what happens is they turn
19 into a repair. And, so, you know, they get captured
20 and tracked as a completed order, but, when the
21 technician goes to the site, he or she realizes that
22 the person doesn't have service, and they're basically

23 told to just treat it as a repair. Are you familiar
24 with this happening?

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1 A. (Allen) Not specifically. If the question is, when an
2 order is completed, at times would there be a repair
3 call to that, if the customer -- if we show the
4 customer should have service and they did not, it would
5 be a repair. I am familiar that that has occurred. It
6 did occur on a more frequent basis when we had a issue
7 with the inventory. And, one of the major changes with
8 the inventory audit, had completed that, was to
9 eliminate that particular problem. And, the reason for
10 that was you had different facilities that were
11 assigned in the system, versus what was actually in
12 plant, and it required a second call to fix that. And,
13 when we finished the audit and updated the inventory,
14 it, as far as I know, eliminated that problem. I
15 haven't heard it since then.

16 Q. And, do you know what timeframe that was fixed?

17 A. (Allen) It was within the last 60 days, but I couldn't
18 be more specific than that.

19 Q. So, prior to that, in your reporting, there may have
20 been orders that showed as being completed, but they
21 actually hadn't been, because there may have been a
22 facilities problem?

23 A. (Allen) There may have been.

24 Q. And, I think I remember hearing from the CLECs at
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1 different times that they were actually in the practice
2 of calling customers to say, you know, "The computer
3 says you're all set, but are you really?" And, there
4 were times that that wasn't happening. But is it your
5 understanding that that's been addressed?

6 A. (Allen) It is my understanding, correct.

7 Q. I have one other specific question as a follow-up
8 that's a little off track. I think, on Tuesday, you
9 talked about several businesses that were out of
10 service due to some kind of a problem. And, actually,
11 one legislator asked me if I would follow up with you
12 on why those, I think there were four businesses, and I
13 think it was when, Mr. Nixon, when you came back after
14 lunch and you talked about the fact that there were
15 some businesses out-of-service. If you could talk
16 about why they were out and what the problem was?

17 A. (Nixon) Yes, I think that was actually Mr. Murtha --

18 Q. Okay.

19 A. (Nixon) -- who offered the clarification.

20 Q. Okay. So, you wouldn't have any information on that?

21 A. (Nixon) I thought he provided the detail behind that,
22 and I think we'd have to take a look at the transcript

23 or my notes, but I am not sure I could offer more than
24 what he had already provided.

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1 MS. HATFIELD: Okay. Thank you.

2 BY MS. HOLLENBERG:

3 Q. We get to go back to the boring questions of asking you
4 about the Status Report. The section on "Retail
5 Billing" of Exhibit 1, which is at Pages 5 and 6. The
6 first measurement is "Bills With Known Errors", do you
7 agree with that?

8 A. (Allen) Yes.

9 Q. And, before we continue with the usual suspects of
10 questions, would you please define "known errors"?

11 A. (Allen) Yes. And, a known error comes to us in two
12 different ways. Before we send out a bill, we do a
13 proforma run, and we look at, on a random sample basis,
14 different bills within that particular run. And
15 there's a group in Littleton that does a quality
16 assurance on that run and looks for any errors. That's
17 one way we can identify an error. So, if we identify
18 something, and that could be a rating error, it could
19 be a misapplied tax, it could be a variety of different
20 things, but any error that's identified is -- would go
21 into that category. Secondly, the billing team has

22 a call on a daily basis with the Customer Service
23 organization on a reactive basis, and takes any input
24 they have from any billing issues that they encountered
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1 during the course of the day, and then does the
2 research on that, and identifies additional known
3 errors.

4 When an error is identified, what we
5 look at in the retail billing end is we look for --
6 each product is identified by a characteristic, a USOC,
7 that defines that product. And, typically, if you have
8 a billing error with a USOC that shows up for that
9 product, it would apply to other -- all customers that
10 have a similar situation. And, that's how we identify
11 the number. And, that would be -- a combination of
12 those factors would identify known billing errors until
13 they're fixed.

14 Q. Okay. Thank you.

15 A. (Allen) You're welcome.

16 Q. Would you agree that it's possible that there exists
17 bills with errors that FairPoint doesn't know about?

18 A. (Allen) Yes.

19 Q. And, it sounded from the discussion on Tuesday that
20 it's possible that also customers might have a

21 perception of errors that don't necessarily fit within
22 the definition that you've just described of "known
23 billing errors" for FairPoint's purposes?
24 A. (Allen) Yes. I think we gave an example on Tuesday
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1 that I would agree would fall into that category.
2 Q. Thank you. The measurement and objective for the bills
3 with known errors, the objective, how was that
4 determined?
5 A. (Allen) That was an objective that we came up with,
6 again, based on talking to people who had been in the
7 industry for some period of time. It was not based on
8 an historic number.
9 Q. Okay. I think you described that as "industry
10 information"?
11 A. (Allen) Correct.
12 Q. And, has that objective changed since you first started
13 reporting the stabilization plans?
14 A. (Allen) It has not.
15 Q. Okay. And, the measurements for April, May, June and
16 current, how were those calculated?
17 A. (Allen) Those were calculated -- current was taken from
18 the last item or the last report that we had.
19 Q. Daily report?
20 A. (Allen) The last daily report. April, May, and June, I

21 don't recall if I took a monthly average, which I
22 believe I did, but I'm not 100 percent certain, or if I
23 took a result from the end of the month. I would have
24 to check that.

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1 Q. And, the monthly average, would that have been
2 calculated using the milestone reports?
3 A. (Allen) Yes.
4 Q. And, if it was the last day, it would have been a daily
5 report?
6 A. (Allen) Yes, let me clarify that a little bit. I said
7 "yes" a little bit too quickly. The milestone reports
8 for the bills with known errors were taken off of the
9 last daily report for that period. So, if it was a
10 monthly average, it would have been taken off of the
11 daily reports, which would have included all of the
12 results for those months.
13 Q. How would that be distinguishable from the last daily
14 report?
15 A. (Allen) I'm sorry, I don't --
16 Q. Well, I guess what I heard you say was that the numbers
17 for April, May, June were calculated either using a
18 monthly average or the last day?
19 A. (Allen) That's correct.
20 Q. And, if the last day includes all the days before it,

21 --

22 A. (Allen) It does not.

23 Q. Okay.

24 A. (Allen) What I'm saying is, I took a snapshot in time
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1 for the current, which was the latest report that we
2 had. What I don't recall, when I did this particular
3 report, was if I used the average for April, May, and
4 June or if I used the last day of that particular month
5 as a point in time. I could easily do the math and
6 check that. I just don't recall.

7 MS. HOLLENBERG: Okay.

8 MR. HUNT: Would this be a good time to
9 give the stenographer a break?

10 MS. HOLLENBERG: Sure. Actually, if I
11 could just finish this, if you don't mind, I could just
12 finish this section, that way it's -- let me just make
13 sure I have any other questions.

14 MR. HUNT: That's fine.

15 MS. HOLLENBERG: Thank you.

16 MS. BAILEY: While she's looking at
17 that, just to give everybody a head's up. It's after
18 4:30, so you can't go outside the door anymore.

19 WITNESS NIXON: You can, but you just
20 can't get back in.

21 MS. BAILEY: Yes, you just can't get
22 back in. And, if anybody needs to go to the break room,
23 we have candy and soda in there, I'll show you where.

24 BY MS. HOLLENBERG:

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1 Q. I guess the only other question I had was where the
2 data is stored. What system keeps this data?

3 A. (Allen) David, would you have that?

4 A. (Bergeron) We store that right now in the retail
5 billing system. We built actually a custom table to
6 house this information. And, we store it by each
7 defect that is reported. We store the accounts
8 impacted list.

9 Q. Is there a name for that software system?

10 A. (Bergeron) Well, it's the Kenan application.

11 Q. Kenan.

12 A. (Bergeron) It's just a custom table in there.

13 MS. HOLLENBERG: Okay. Okay. Thank
14 you.

15 MR. HUNT: We'll just take a five minute
16 break.

17 (Whereupon a recess was taken at 4:47
18 p.m. and the technical session
19 reconvened at 5:00 p.m.)

20 MR. HUNT: All right. Let's go ahead

21 and might as well get started. And, Kath.

22 MS. MULLHOLAND: Thank you, Meredith,
23 for this time. Kath Mullholand, for segTEL. The first
24 set of questions I have are asked on behalf of Sovernet,
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1 and they're for Mr. Bergeron.

2 BY MS. MULLHOLAND:

3 Q. You're responsible for resale bills, is that correct?

4 A. (Bergeron) Yes, for the production of the resale bills.

5 Q. And, you said that the dispute process begins in
6 Mr. Murtha's group?

7 A. (Bergeron) Yes, it does.

8 Q. And, you receive disputes after Mr. Murtha's group
9 tries to resolve them?

10 A. (Bergeron) Mr. Murtha's group tries to resolve the
11 disputes. If they need an escalation point, they go to
12 Pat Block. And, then, Pat Block's team will actually
13 bring them to my team.

14 Q. I see. Okay. And, you said earlier that you were
15 unaware of any missing resale billing accounts?

16 A. (Bergeron) At this time I'm unaware of any un -- yes,
17 undelivered or at least unproduced resale billing
18 accounts. And, I also added in there that, you know,
19 at this time I think we're finalizing some of the
20 delivery of BDTs and whatnot.

21 Q. Okay. Are you aware of an issue where there were some
22 missing bills for Sovernet particularly?

23 A. (Bergeron) I don't -- I don't remember Sovernet.

24 A. (Block) I am aware of Sovernet not receiving a
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1 directory listing bill, and that was uncovered I think
2 last week. And, because of that issue, we went through
3 Dave's team to uncover "Are there any other directory
4 listing bills that were not being mailed?" And, we did
5 uncover several more BANs that were not being mailed or
6 produced. So, we're in the process of creating those.

7 Q. Strictly directory listing BANs or other BANs as well,
8 because the one I'm looking at here is definitely a
9 resale BAN?

10 A. (Block) There was one resale customer, I think Sovernet
11 had two BANs, other than directory ones. So, those are
12 being created. I'm not sure if they have been
13 delivered yet.

14 Q. Okay. Thank you.

15 A. (Bergeron) Yes. Could I just clarify the one piece for
16 that. You know, my analysis, when we do, based on all
17 the bills being delivered, it's based on how they're
18 currently configured and set up. So, if -- I think,
19 for this one, for directory listings invoices, the
20 accounts were actually not properly set up. And, so,

21 based on that, they were actually set up to not mail or
22 go anywhere. And, that is why, you know, to the best
23 of my knowledge, anything that's set up to go out
24 somewhere is gone.

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1 Q. But those bills would have shown up on that relational
2 check that you were talking about, where bills that
3 went out from Verizon and bills that went out to you
4 had one -- from you had one-for-one correspondence?

5 A. (Bergeron) I didn't say that.

6 A. (Block) That was me.

7 Q. I'm sorry. I was sitting over there and I couldn't see
8 your faces as you were talking.

9 A. (Block) Yes, that was my comment. So, I'm only
10 generating around 7,000 bills a month, so it's easy to
11 do. And, Dave's got probably a million.

12 Q. Okay.

13 A. (Bergeron) Yes.

14 Q. Thank you. I'll move onto some questions on behalf of
15 segTEL. Who is responsible for billing disputes?

16 MR. MCHUGH: For segTEL?

17 BY MS. MULLHOLAND:

18 Q. For segTEL or for the organization in general?

19 A. (Bergeron) Well, for billing disputes for wholesale,
20 that would be Pat.

21 Q. Okay. And, when the disputes are put in, what is the
22 expectation of the kind of research or the level of
23 attention that that dispute will be given?
24 A. (Block) The disputes go into Rich Murtha's shop. He
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1 logs them in. His people will investigate it. And, if
2 it's an easy fix, they will make a recommendation and
3 do an adjustment. If, for example, a carrier has a
4 usage issue, and they do not understand, you know,
5 jurisdiction or too much usage, those usually get
6 escalated to me, and then I'll work with other
7 departments to see if we can provide CDI records or any
8 investigation. But the initial dispute will be logged
9 in by Rich Murtha's group.
10 Q. Okay. So, for instance, on a collocation dispute, that
11 might be handled in Rich Murtha's shop, and then move
12 on to you if it weren't resolved by him?
13 A. (Block) Correct.
14 Q. Okay. And, do the people in Rich Murtha's shop or in
15 your shop that are doing these disputes have access to
16 the billing records necessary to be able to resolve
17 those disputes?
18 A. (Block) They do.
19 Q. And, for instance, if a circuit is disputed due to an
20 outage, can they access trouble tickets by circuit ID?

21 A. (Block) I don't know that.

22 Q. Okay. Do you think it's acceptable that a dispute is
23 returned to the customer for trouble ticket information
24 when the circuit ID and the fact that there was an
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1 outage is already provided?

2 A. (Allen) If I could, I think anything specific to the
3 dispute process would be much better handled by
4 Mr. Murtha, who's no longer here. I think, to ask for
5 them to make a statement about something they're not
6 directly familiar with, --

7 Q. If they're not directly familiar with it, I agree.
8 Okay. So, I would be mainly talking to you about
9 escalated disputes?

10 A. (Block) Just those disputes that Rich's team needed
11 additional information.

12 Q. Okay. All right. Thank you. I'm going to move on. I
13 think these questions are for Mr. Allen. Are you
14 familiar with the carrier to carrier reports?

15 A. (Allen) I am somewhat familiar, yes.

16 Q. Do those reports come from a similar source or the same
17 source as the reports that you're providing to Staff on
18 a daily basis?

19 A. (Allen) I'm not that familiar with where they come
20 from, their origination.

21 Q. Okay. Have those -- Has the algorithms for producing
22 those reports been tested to your knowledge?

23 A. (Allen) I would not know.

24 Q. Okay. And, do you know if those reports have been
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1 audited?

2 A. (Nixon) The algorithms have been tested. I do not know
3 the answer to your second question, which is "have they
4 been audited?" But I know the algorithms were tested.

5 Q. Okay. Thank you. Do you believe the numbers reported
6 in the carrier to carrier reports are accurate?

7 A. (Allen) I don't know.

8 Q. Okay. Earlier today, there was a discussion about new
9 construction. I think you mentioned that your own home
10 was an example of that, correct?

11 A. (Witness Allen nodding affirmatively).

12 Q. So, if FairPoint gets a retail order from a person in a
13 new development that needs facilities, that order will
14 get put on hold until those facilities are built,
15 correct? I'm not worried about the terminology of "on
16 hold".

17 A. (Allen) Yes.

18 Q. But, in general, it's held for a period of time until
19 the facilities. Once the facilities are constructed,
20 do you know what the process is after that? The timing

21 of how long it takes for the customer to get service
22 after the facilities are in place?

23 A. (Allen) I do not know.

24 Q. Once a FairPoint customer gets service, I'm assuming
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1 that there's a period of time where facilities have to
2 get into the systems and so on. Are you aware that
3 there is a significant lag between the time that a
4 FairPoint customer gets service under that situation
5 and the time a CLEC can place an order to get service
6 for a customer under that situation?

7 A. (Allen) I don't know if there is a difference at all.

8 MS. MULLHOLAND: Okay. Thank you.

9 Those are all my questions. I really appreciate you
10 letting me jump in.

11 MS. HATFIELD: Thank you.

12 BY MS. HATFIELD:

13 Q. Mr. Allen, turning back to the status report, I'm on
14 Page 6 now, which is where "Late Pending Orders"
15 appears. Do you see that?

16 A. (Allen) Yes. Yes.

17 Q. Halfway down the page, under the "Measurement" area, on
18 the right-hand side it says the objective is "1,315".
19 Do you see that?

20 A. (Allen) Yes.

21 Q. Then, there's a note that says "This objective is an
22 estimate based on current order volumes and the number
23 of customer orders available for FairPoint to take
24 action." Can you explain why that note is there for
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1 this particular measurement, where it hasn't been for
2 the prior ones?

3 A. (Allen) Yes. All that was designed to show was that,
4 at that particular point in time, if 100 percent of the
5 late orders that FairPoint could take action on were no
6 longer late, the difference would have been 1,315
7 orders.

8 Q. And, did you develop that objective as you did with the
9 others in this, in the Stabilization Plan?

10 A. (Allen) No. That objective was a mathematical result
11 of how many total late orders there were and how many
12 we could address -- that we had an opportunity to
13 address.

14 Q. And, how do you derive that number that you have the
15 opportunity to address? Is that based on the
16 categories down below that we discussed earlier?

17 A. (Allen) That's correct.

18 Q. Okay. So, for example, one, if it's held for customer
19 reasons, then you can't take action on it?

20 A. (Allen) That's correct. If you just take 5,331 and

21 subtract 4,016, that's where you get 1,315.

22 Q. And, what system is it that tracks that data?

23 A. (Lamphere) It's, again, not specific to a system.

24 There's data pulled from the order entry piece to
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1 calculate the unsubmitted orders. Specific to the late
2 pending orders, that data resides within Metasolv, or
3 "M6" as it's also called, purely pulled as a function
4 of the order status, whether it's complete or not
5 complete.

6 Q. Thank you. Turning to the next page, which is still
7 under "Late Pending Orders", this chart references
8 "Open Orders". Is "open" the same thing as "pending"?

9 A. (Allen) Yes. Those are the orders that were
10 addressable by FairPoint, the 4,016 orders, and the
11 date from which they were originally opened. In other
12 words, out of this number, basically at the end of
13 June, 3,600 of the 4,000 late orders were originated in
14 the month of June.

15 Q. So, does that indicate that this metric is actually
16 getting worse?

17 A. (Allen) No. This would indicate that it's actually
18 getting better. In past periods, when we had a much
19 higher amount of late orders, they were also later, if
20 you will. They were substantially late. What this was

21 showing is that roughly almost 90 percent -- well,
22 90 percent of the orders that were late were originated
23 in June. So, most of the older orders had, in fact,
24 been completed.

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1 Q. And, how did you calculate those percentages? What
2 data did you use?

3 A. (Allen) I used the same core data that came out of M6
4 or Metasolv that Mr. Lamphere just described.

5 Q. And, are those two names for the same system?

6 A. (Allen) They are.

7 Q. Okay. Thank you. Turning to customer escalations,
8 previously I believe that, I'm not sure who, but
9 someone testified that there is a biweekly report
10 that's provided to the Commission Staff. Was that you
11 Mr. Allen?

12 A. (Allen) That's correct.

13 Q. Okay. Can you describe what is included in that
14 report?

15 A. (Allen) I can give you a general description. And,
16 without looking at it, I can't give you all the
17 different fields. But, essentially, it's the customer
18 name, customer information, such as their phone number,
19 address; when the escalation was delivered; what the
20 basis of the escalation was; if it's been closed, what

21 date it was closed. And, there's a "remark" section or
22 a "comment" section that would give an update if it has
23 not been closed.

24 Q. And, would FairPoint be willing to start providing that
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1 report to the OCA, in addition to Staff?

2 A. (Allen) I think that's your call.

3 A. (Nixon) Since it has customer-specific information in
4 it, I think we'd ask that it be treated -- we'd provide
5 it to you, but not for distribution beyond.

6 Q. Absolutely. So, the confidentiality agreement that we
7 have in place now --

8 A. (Nixon) Yes.

9 Q. -- could apply to it?

10 A. (Nixon) Yes.

11 Q. Okay. Thank you. And, does that report have a
12 breakdown of the different types of services that are
13 at issue with the customer, whether it's POTS or DSL or
14 something else?

15 A. (Allen) I'm not sure if there's a specific field that
16 breaks that out. But, in looking at the description,
17 it would typically -- in many instances, it would
18 describe that. It does break it out based on the type
19 of escalation it is, whether it's a billing question or

20 an order question at that time.

21 Q. So, when you say it has the basis, that would give us
22 information about why -- you know, what the person's
23 issue was?

24 A. (Allen) Correct. And, the majority of them are
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1 consumer. But, if it was business, obviously, from the
2 business name, you would see that.

3 Q. And, we've talked about the PUC escalations, but I
4 think you've also made reference to "internal" or
5 "executive" escalations. Do these numbers just capture
6 the Commission-related escalations?

7 A. (Allen) For this particular report, this shows, at that
8 point in time, what the PUC escalations were.
9 Obviously, the total number is lower today. We have,
10 internally, we have both the executive and PUC
11 escalations.

12 Q. So, in the report that you're providing biweekly
13 currently to Staff, does that include both?

14 A. (Allen) No. Actually, it's specific to each individual
15 state. So, each state gets their own report.

16 Q. So, the executive --

17 A. (Allen) The executives are not included in that.

18 Q. Okay. And, they might -- they would include some in
19 all three states potentially, the executive level ones?

20 A. (Allen) Well, what we've been distributing on a
21 biweekly basis is, by state, the PUC escalations that
22 came from that particular state.

23 Q. So, at this time, you're not reporting on executive
24 escalations?

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1 A. (Allen) We're not distributing anything on that. We,
2 obviously, monitor that ourselves.

3 Q. Would you be able to provide a report on those
4 escalations for New Hampshire to the OCA and to Staff?

5 A. (Allen) It would be up to you.

6 A. (Nixon) Yes. I think we report and we would continue
7 to report on the PUC escalations. I don't know that
8 there's a need for us to report on all other escalation
9 types that come throughout the Company. I think the
10 PUC escalations are sufficient.

11 Q. So, the answer is "no"?

12 A. (Nixon) Yes, ma'am. Yes, ma'am, the answer is "no."

13 MS. HATFIELD: I had said yesterday that
14 I intended to make the Liberty Consulting "Assessment of
15 the FairPoint Stabilization Plan Status Report" "OCA
16 Exhibit 1". And, I do have copies of it. I understand
17 everyone probably already has it. But, if anyone wants a
18 copy of it with the name of it as "OCA 1" at the top,
19 you're welcome to have it.

20 BY MS. HATFIELD:

21 Q. And, I actually wanted to direct your attention to it,
22 Mr. Allen. And, if you look on Page 8, you can see at
23 the top of the page it is referring to "Customer
24 Escalations". Do you see that?

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1 A. (Allen) Yes.

2 Q. And, then, in the middle of the page it says "Liberty's
3 Assessment". Do you see that?

4 A. (Allen) Yes.

5 Q. In the middle of that paragraph, there's a sentence
6 that starts with "first of all", and I'm just going to
7 read it to you. It says, "First of all, the Staffs
8 continue to disagree with FairPoint's count of the
9 number of open escalations, indicating that their count
10 is higher." Do you have any response to that?

11 A. (Allen) Yes. I would -- I would disagree with that
12 particular statement. I would not disagree with that,
13 that the sentence says that the Staffs would disagree
14 with our number. I think what we have offered,
15 however, is two things. One is that we give the report
16 out twice a week with every particular open and closed
17 escalation in it, with the intent that, if there is a
18 discrepancy, it could be reconciled. Secondly, we have
19 also offered to use our resources with each of the

20 states to do whatever reconciliation is necessary.

21 Q. The next sentence, and I believe there was some
22 discussion about this earlier. But the next sentence
23 states "The Staffs also have indicated that they
24 believe a level of 150 open escalations", I believe
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1 that's across the three states, "is significantly
2 higher than they experienced in total prior to
3 cutover." And, I believe earlier there was some
4 discussion about the 50 per state level being
5 considered high in New Hampshire. Is FairPoint
6 reconsidering what is an acceptable number of open
7 escalations at this time?

8 A. (Allen) Yes.

9 Q. And, will you set a lower goal for escalations in New
10 Hampshire?

11 A. (Allen) Yes.

12 Q. And, do you know when you will do that?

13 A. (Allen) I believe we already have. There was a
14 assessment done of what the pre-cutover levels were
15 that were actually in line with what was estimated. I
16 don't recall exactly what that number was.

17 Q. If you look further down on Page 8 in the Liberty
18 Assessment Report, as we were just doing, the next
19 section is titled "Other Issues Not Addressed in

20 FairPoint's Stabilization Plan Status Report". Do you
21 see that?

22 A. (Allen) I do.

23 Q. And, have you had a chance to review the Liberty
24 Assessments?

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1 A. (Allen) I have.

2 Q. I'm wondering if I could point your attention -- the
3 first bullet point at the bottom of Page 8 is related
4 to CLECs. I'd like you to turn your attention to the
5 bullet points on the following page. And, I'm
6 wondering if the Company has any responses to some of
7 the things that Liberty has suggested, including things
8 like "Improved accuracy and consistency in the
9 performance results reported by FairPoint", "Improved
10 testing of software changes and upgrades", "Improved
11 systems functionality and stability". So, does the
12 Company have any response?

13 A. (Allen) Yes. I think Mr. Murtha -- Mr. Haga actually
14 spent a fair amount of time describing the additional
15 and improved regression testing that now takes place
16 that had not been in the process at the time, which is
17 the first bullet specifically.

18 Q. And, can I just interrupt you? Is it your
19 understanding that those changes have satisfied

20 Liberty's concern?

21 A. (Allen) I don't know. I don't know that one way or the
22 other.

23 Q. Okay. You can go on. Thank you.

24 A. (Allen) As far as the "improved accuracy and
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1 consistency in performance results", I think we've
2 described that there is some additional information and
3 different results that we believe would be more
4 accurate, that we're proposing on a go-forward basis.
5 I would agree, as far as the "improved mean time to
6 repair from the trouble reports", it's an item that
7 we've reported on a daily basis, on the daily report,
8 that we actually have not spent much time talking
9 about. It has a significant focus within the Company.
10 But it did not show up on the report, primarily because
11 it had not been an item that we had on the milestones,
12 nor had it been an item that we spent much time talking
13 about on the weekly calls. But that certainly does not
14 diminish its importance.

15 And, the "improved system functionality
16 and stability" was the majority of Mr. Haga's
17 discussion, as well as the whole purpose or the primary
18 purpose of Vicky Weatherwax going into that position.
19 The stability I think was addressed with regard to the

20 testing that's been gone on, and the different schedule
21 for deploying new changes into the production
22 environment. And, the functionality is very
23 specifically looking at how we can make the systems
24 perform faster, as well as with more function.

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1 Q. And, for those last three that you just walked through,
2 do you know if the steps FairPoint is taking address
3 Liberty's concerns in Liberty's view?

4 A. (Allen) I have not discussed it personally with
5 Liberty, so I don't know the answer to that.

6 Q. And, what are the topics that are discussed on the
7 weekly calls between FairPoint and the three state
8 staffs?

9 A. (Allen) I have not been on one for the last month. So,
10 I couldn't give you a current status. But, typically,
11 it would be a review, in the past, a review of the
12 daily reports and the weekly milestone reports. It was
13 an opportunity to raise any items or escalations or
14 items that had come up over the course of the week. I
15 would say those are the primary topics.

16 Q. And, has Liberty participated in those calls to your
17 knowledge?

18 A. (Allen) To my knowledge, I believe they have certainly
19 been at most, if not all.

20 Q. And, in your view, have those been productive and
21 useful to help FairPoint try to return to "business as
22 usual"?

23 A. (Allen) Yes. And, I am under oath. As long as you ask
24 the question the way you asked it.

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1 Q. Well, of course, that begs a follow up.

2 MR. MCHUGH: Answer the question that
3 you're asked.

4 WITNESS ALLEN: It's getting late. I'm
5 sorry.

6 BY MS. HATFIELD:

7 Q. Is there any way that those could be more useful to
8 FairPoint in returning to "business as usual"?

9 A. (Allen) I think some of the things that have been
10 recommended will be more beneficial for FairPoint and
11 all parties. I think a report that's biweekly, as
12 opposed to weekly, in my assessment, is more
13 beneficial. It takes away from any weekly variances
14 that may not be necessarily a trend of results. And, I
15 think, you know, we had those calls, they were
16 beneficial, all kidding aside. It kept us focused on
17 things that we need to focus on. It brought up items,
18 hopefully we didn't hear them for the first time, but,

19 honestly, sometimes we did on those calls, and it got
20 us a head start in fixing things that needed to be
21 fixed. So, I think the calls were, in fact, helpful.
22 I don't know that I could give any other specific
23 recommendations on how to make them better.

24 Q. And, in terms of Liberty's Status Report, are you
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1 planning to formally respond to it or do you see it as
2 a tool to help the Company continue to work on issues?

3 A. (Nixon) We see this as a tool to help us work going
4 forward. Certainly, we'll use it as we consider what
5 information needs to be included in the biweekly
6 report.

7 Q. And, in terms of -- jumping back to the Status Report,
8 Mr. Allen, has any of the data been audited or verified
9 by any independent party outside of FairPoint?

10 A. (Allen) Audit -- it depends on your definition of
11 "audit". All of these numbers, a large majority of
12 these numbers came from either the milestone reports or
13 the daily reports. One of the processes that Liberty
14 has been doing is compiling information from those
15 reports as they have come out. And, as I mentioned,
16 they have been part of the calls, as well as they wrote
17 an assessment on the status. So, I would think that,
18 with the items that they put in, that they either

19 agreed or disagreed. I don't know that I would call
20 that an "audit", but I would say it had a review.

21 Q. And, how would you define "audit"?

22 A. (Allen) On a formalized basis?

23 Q. (Ms. Hatfield nodding affirmatively).

24 A. (Allen) It would be a third party that would come in
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1 and do some stringent review of both the source of the
2 information and how it was compiled and a verification
3 of that information.

4 Q. I had a question about staffing, which I think other
5 people have touched on a bit. Would you consider
6 FairPoint to be fully staffed in Northern New England
7 at this time?

8 A. (Allen) No.

9 Q. Do you know roughly how many open positions that you
10 have?

11 A. (Allen) I don't know in totality. I mentioned, as an
12 example, 20 that we're looking to fill in the Business
13 Service Center.

14 Q. I can't remember when it was, but at sometime this
15 spring, when you were here at the Commission, I think
16 Mr. Nixon talked about -- I think I called it a "hiring
17 freeze" and he called it a "hiring curtailment". And,
18 I'm wondering, is that still in place for the Company?

19 A. (Allen) Well, clearly, if we have a posting out for 20
20 new positions, we are adding positions as needed.

21 Q. And, so, are you adding positions beyond just those 20
22 that you referenced specifically?

23 A. (Nixon) I believe we're also on record that we're also
24 looking to hire a CIO.

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1 Q. And, otherwise, if someone leaves a position, are you
2 filling it as needed?

3 A. (Nixon) It is, I mean -- I'm sorry. It is on a
4 case-by-case basis on the position that's performing
5 the work. That's a reflex.

6 Q. On July 28th, FairPoint filed a letter with the Maine
7 Public Utilities Commission that was providing some
8 responses to the public conference that was held in
9 Maine on July 16th. Is anyone familiar with that
10 letter?

11 A. (Nixon) I know that it was provided.

12 Q. Okay. And, I see you have a copy of it in front of
13 you?

14 A. (Nixon) Just provided.

15 Q. It was just provided to me today as well. So, we're at
16 the same place. If you could look at the first page of
17 the attachment, it's just simply a list --

18 MR. MCHUGH: Let me just check --

19 BY THE WITNESS:

20 A. (Nixon) Let me just check on the confidentiality of
21 this.

22 BY MS. HATFIELD:

23 Q. Sure.

24 A. (Nixon) Just I'm not sure what it is, I just don't
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1 know, for a second.

2 Q. What I was planning to do was just refer to the letter,
3 which I think our office received via email, and it
4 just describes the attachments, some of which are
5 confidential.

6 A. (Nixon) Okay. I'm not sure if I have the letter.

7 MR. MCHUGH: He doesn't have the public
8 letter. Hold on a minute. I think I have it. Do you
9 have an extra copy?

10 MS. HATFIELD: I guess I thought the
11 letter, the cover letter would be the same in both
12 versions.

13 WITNESS NIXON: If you want to read off
14 what you have, and we'll try to be responsive.

15 MS. HATFIELD: Okay. Sure, why don't I
16 do that.

17 BY MS. HATFIELD:

18 Q. One of the things that you provided us by way of

19 follow-up is information on the payment of exchange
20 consideration. I think this is the financial issue
21 with respect to the restructuring step that FairPoint
22 just recently took. And, this letter notes that
23 Mr. Giammarino was planning to address this topic on a
24 conference call with Maine PUC Staff. And, I was
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1 wondering, is the Company planning to have a similar
2 type of conference call with the New Hampshire
3 Commission?

4 A. (Nixon) I believe that's taken place.

5 Q. And, are there any documents related to that that were
6 provided to our Commission?

7 A. (Nixon) Not at this time.

8 Q. And, would the Company be willing to provide the New
9 Hampshire Office of Consumer Advocate with information
10 that they provided to Staff on that call?

11 A. (Nixon) I would consider it. I would have to consider
12 it further.

13 Q. The second item is a business plan. And, I believe
14 that I've read I think in your SEC filings recently,
15 with respect to your debt restructuring, that you are
16 preparing a business plan. And, this states that "Jeff
17 Allen will provide a copy of the business plan for
18 filing with the Maine PUC". Are you willing to do that

19 for the New Hampshire PUC?

20 A. (Nixon) We have indicated we would.

21 Q. Okay. And, this says "as soon as it's completed and
22 ready for distribution". Do you know when that would
23 be?

24 A. (Nixon) I know it's being work on, in the very near
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1 future. And, I don't know if that's -- it's probably
2 days, in other words.

3 Q. Okay. And, will you provide that to the OCA at that
4 time?

5 A. (Nixon) I don't think that was originally contemplated,
6 but I'll take that under advisement.

7 Q. The next item is Ms. Weatherwax's project plan, which
8 was discussed earlier. The one thing that I don't
9 think was discussed was the timing on that, when that
10 would be provided?

11 A. (Nixon) I think that was discussed.

12 MR. MCHUGH: It was discussed.

13 A. (Nixon) And, I said that I don't believe there's a date
14 certain been established.

15 BY MS. HATFIELD:

16 Q. Okay. And, would you provide that to the OCA?

17 A. (Nixon) At this time, I don't know why I would not.
18 But let me take that request under advisement also.

19 Q. And, in this Maine letter, it says that "a status
20 update will be provided to the Commission", this is the
21 Maine Commission, "at the scheduled meeting with
22 David", and I'm going to mispronounce his name, I say
23 "Hauser", but I --

24 A. (Nixon) It's "Hauser".

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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 Q. "Hauser", thank you. "And Vicky Weatherwax". Is a
2 similar meeting scheduled with the New Hampshire
3 Commission?

4 A. (Nixon) The offer has been made. I'm not sure it's
5 been set up.

6 Q. Okay. Would FairPoint be willing to invite the OCA to
7 attend that meeting?

8 A. (Nixon) Again, I'm not sure what the protocol would be.
9 I'll certainly look into it.

10 Q. Okay.

11 A. (Nixon) Hope somebody is taking copious notes of these.

12 MS. HATFIELD: And, thank you to
13 FairPoint for providing us with a copy of the confidential
14 attachments of that letter. I appreciate that.

15 MR. MCHUGH: You're welcome.

16 MS. HATFIELD: At this time, just in the
17 interest of time, I'd be happy to let the CLECs go, if I
18 could just reserve, in case I find one more question. Is

19 that okay?

20 MR. HUNT: That's fine. Does the
21 stenographer need a break?

22 MR. PATNAUDE: Keep going a little bit.

23 MS. HATFIELD: Thank you.

24 MS. BROWNELL: Judy Brownell, BayRing.

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1 And, I've whittled down to just two questions.

2 BY MS. BROWNELL:

3 Q. Both Mr. Block and Mr. Bergeron earlier said that
4 you're just now seeing billing issues. Why is that,
5 when we've had these issues since conversion?

6 A. (Block) We're just seeing reseller comments coming back
7 to our group. I have not seen anything until recently.

8 Q. Do you know where those were, because we have sent
9 those along via e-mails and conversations since no
10 later than April?

11 A. (Block) They were probably filed in Rich Murtha's shop.
12 He's going to have to answer that. But they haven't
13 been escalated to us until recently.

14 Q. And, then, the last one. On the resale and the
15 directory bills and the BDT format, I spoke with you
16 yesterday, Mr. Block, and you said that there was an
17 internal meeting scheduled for yesterday, because it
18 affected other CLECs, besides BayRing. When do you

19 expect those files to be delivered in a format, the
20 Telcordia format, that we can all read?

21 A. (Block) I think we have to understand your comments and
22 other carriers' comments, because the format is
23 standard for all carriers.

24 Q. Right.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 A. (Block) So, we just had a call late last night with our
2 IT Department to look at your comment, other comments,
3 and we'll be meeting again, I think, coming up
4 tomorrow.

5 A. (Bergeron) Yes, I can actually take this a little bit.

6 Q. Okay.

7 A. (Bergeron) DSCI had similar comments. And, DSCI, based
8 on their feedback, I think we're already working
9 towards those development efforts that have been called
10 out. And, the specific comment around what BayRing had
11 reported, I know the feedback that I saw actually this
12 morning was that your comments were very similar. And,
13 essentially, once the DSCI changes were pushed in, we
14 would probably need to reproduce the invoices in BDT
15 format and send them over.

16 MS. BROWNELL: Okay. Thank you.

17 MS. WILUSZ: I only have a few as well.

18 BY MS. WILUSZ:

19 Q. Why does the Billing group -- the billing escalations
20 go to Rich Murtha's group, as opposed to the Billing
21 group directly?

22 A. (Allen) I don't know. The thing I would typically say
23 to that, without talking to Rich, and the logic -- the
24 logic I would use with that is he has the direct CLEC
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1 interface with the customers on a customer service
2 basis. And, there's a lot of different escalations and
3 different questions that come into his group. Some of
4 those then need to go to billing for resolution, some
5 may go to a provisioning group for resolution. So,
6 rather than have the CLECs have to worry about where
7 they need to go, they can go to the service center or
8 to Rich's group, and then Rich can take the appropriate
9 internal action to get the answer.

10 Q. And, who does the Billing group report up through?

11 A. (Allen) It reports Jane Valik, and Jane reports to me.

12 Q. During these last two days of hearings or meetings here
13 anyway, we've learned an awful lot about what Vicky
14 Weatherwax's responsibilities are. Is there a reason
15 that she's not in attendance here?

16 A. (Allen) The primary reason is and the thought was that
17 the questions around Vicky Weatherwax would be what her
18 plan is specifically, and how is it going to be rolled

19 out and where she is. She's been in the job a couple
20 of weeks and is spending most her time with either the
21 IT folks or the business -- the business units. And,
22 the thought was at this point, since her plan is not
23 done, her time is much better spent creating that plan,
24 that then it can be rolled out and we can make the
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1 progress from her efforts.

2 Q. Will her plan also be available to the CLEC community
3 for review?

4 A. (Allen) What I will make sure happens is the aspects of
5 her plan that in any way impact you, we will
6 communicate to you on either a weekly call or whenever
7 the next get-together is.

8 Q. Thank you.

9 A. (Allen) You're welcome.

10 Q. If any of the three states' utility commissions request
11 third party testing, will FairPoint agree?

12 A. (Allen) I'm not sure. Testing what?

13 Q. The operating systems, third party testing, as far as
14 looking deeper into the systems and how they're
15 flowing, they're not flowing, some of the issues that
16 you're having, using third party testing, as opposed to
17 internal testing?

18 A. (Allen) At this point, it would just be speculation on

19 my part. I'm not sure, since their hasn't been a
20 specific request, it would be difficult for me to
21 respond to that.

22 MS. WILUSZ: Okay. Thank you.

23 BY MS. FOLEY:

24 Q. Mr. Lamphere?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 A. (Lamphere) Yes, ma'am.

2 Q. Could you please provide the current total late pending
3 orders?

4 A. (Lamphere) Current total late pending orders, as of
5 close of business on 7/28 -- 7/29, 4,456.

6 Q. You indicated earlier that you had that information
7 broken down by residential, business and wholesale, is
8 that correct?

9 A. (Lamphere) That is.

10 Q. Could you provide that?

11 A. (Lamphere) I can. Business is 603. That's primarily
12 high-capacity service. Residential is 2,767. And,
13 Wholesale is 1,086.

14 Q. On Page 6 of the Status Report, the objective for late
15 pending orders is identified as "1,315". Is that
16 correct?

17 A. (Allen) Let me clarify that. As I mentioned earlier,
18 that was a mathematical calculation that determined

19 what the -- what the number of late pending orders
20 would be if every other late order that we had the
21 ability to affect was zero.

22 Q. Thank you. What was the objective for late pending
23 orders when the Stabilization Plan was developed?

24 A. (Allen) When the Stabilization Plan was developed, I
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1 took a guesstimate of what I thought was reasonable at
2 the time, without any knowledge of historical numbers
3 or any knowledge of what the late orders -- what
4 categories they were in at the time. And, I think I've
5 stated several times as we've gone through this process
6 that that number had been understated.

7 Q. What was it?

8 A. (Allen) It was set up specifically by product. I don't
9 know what the total additive is. I could add it up.

10 Q. So, if we added the objective for each one of those
11 products you have identified on the milestone reports,
12 that would be the final objective that you were working
13 with?

14 A. (Allen) That was the objective final -- the total
15 objective that we had set up in March.

16 Q. Okay. But it was less than 1,315.

17 A. (Allen) It was less than 1,315. And, I would suggest
18 that both 1,315, and the number that I had guesstimated

19 in March are both lower than a realistic number.

20 Q. And, I believe you said earlier or Mr. Lamphere said
21 earlier that you are "currently at pre-cutover levels
22 for late pending orders". Is that correct?

23 A. (Allen) Actually, compared to September of 2008, we are
24 below those levels.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 Q. So, the "4,456" that Mr. Lamphere just indicated, that
2 is "business as usual"?

3 A. (Allen) Using the definition that we've described
4 before of pre-cutover levels, that is correct. It is
5 at pre-cutover levels. Actually, it's below
6 pre-cutover levels.

7 Q. So, you have met your objective in this area?

8 A. (Allen) I would not characterize it that way. Our
9 objective is to provide a higher level of service than
10 what pre-cutover levels are.

11 Q. But didn't you just say you've done that?

12 A. (Allen) I said "we've met the objective of pre-cutover
13 levels, which we used as a definition as "business as
14 usual"." However, our personal or our company
15 objective is to exceed the level of service that
16 customers received prior to cutover.

17 Q. That's your aspiration.

18 A. (Allen) That's correct.

19 Q. Mr. Allen, on Tuesday, in response to questions from
20 Attorney Hunt, I believe you indicated that "of the 29
21 objectives established in the Stabilization Plan,
22 FairPoint has met five of them." Could you please list
23 the five.

24 A. (Allen) Yes. The five were -- I'll go back to the
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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 original title of this. Percent of flow-through for JB
2 orders, percent of calls abandoned in the CSSC, --

3 Q. Could you please talk slower please.

4 A. (Allen) Let me go back to the first one. The
5 percentage of wholesale JB orders, the percentage of
6 calls abandoned in the CSSC, the average wait time in
7 the CSSC, the average wait time in repair. Those would
8 be the four, not five.

9 Q. Would you describe the plan that Vicky Weatherwax is
10 developing to be designed to bring those areas which
11 are not at pre-cutover levels to a pre-cutover level?

12 A. (Allen) I would say that's a portion of her objective.

13 Q. Does that also include wholesale issues?

14 A. (Allen) Absolutely.

15 Q. What experience does she have with wholesale issues?

16 A. (Allen) I don't know.

17 A. (Nixon) She worked for a wholesale company, a CLEC.

18 Q. Which one?

19 A. (Nixon) I believe she worked for US LEC. Which is now
20 PAETEC, I believe.

21 A. (Bergeron) Yes, now PAETEC.

22 Q. Does she plan on seeking input from CLECs to develop a
23 plan?

24 A. (Allen) I don't know.

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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 Q. Will she be relying on your Status Report for
2 identification of the areas which have not yet reached
3 pre-cutover levels?

4 A. (Allen) I think she would be looking at far more
5 current information than that.

6 Q. What does that mean?

7 A. (Allen) I think we described that, in several areas,
8 there is a better way to measure the end result of the
9 five or six major carriers that Mr. Nixon started off
10 with. Network performance, order processing or order
11 intervals, call center results, escalations, and late
12 orders. And, in most of those areas, in virtually all
13 of those areas, there are different results today, and,
14 in some areas, different, more effective measurements
15 of success in those areas than when we put this plan
16 together. And, I would expect that she would use the
17 most current and most relevant information to determine

18 not only where we are, but where the deficiencies are
19 and what we need to improve.

20 Q. Mr. Allen, you testified earlier that you, in order to
21 measure flow through, you use a different process
22 internally, is that correct?

23 A. (Allen) That's correct.

24 Q. Do you also have different internal goals for flow
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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 through?

2 A. (Allen) Different than what's in my status update?

3 Q. Different than what's in the Stabilization Plan.

4 A. (Allen) Different than what's in the Stabilization
5 Plan? Yes.

6 Q. Could you describe the difference?

7 A. (Allen) Yes. When the Stabilization Plan was put
8 together, there was a lot less information as far as
9 what flow through could be attained by different areas,
10 by different products. An example is, in the resale
11 area, where I had an objective of 90 percent, based on
12 the current breakout of products that we receive, the
13 types of products that we receive, some resale products
14 can be flowed through 100 percent in a perfect world;
15 other products can come nowhere close to that. So,
16 currently, and so if you look at what the product mix
17 is that we typically receive, there would not be an

18 opportunity, in a perfect world of systems, to get to a
19 90 percent flow through rate. Nor would that be the
20 way you would set up your provisioning plans to provide
21 the best service to the customer.

22 Q. In your Status Report, if you could turn to the section
23 on flow through please, for the wholesale order types,
24 you've indicated an objective of "95 percent" for
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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 "Wholesale JB", "75" for "Wholesale AB", and "75" for
2 Wholesale DB. What are your internal polls?

3 A. (Allen) They are the same as what you see here.

4 MS. FOLEY: That's all I have. Thank
5 you.

6 BY MS. CHASE:

7 Q. You state that "business as usual" is defined as "the
8 level of service now versus pre-cutover". Is that for
9 both retail and for wholesale?

10 A. (Allen) Yes.

11 Q. In my opinion, the CLECs have not received the level of
12 service post-cutover that we have from Verizon in some
13 instances. The difference document of what services
14 would not be provided that Verizon provided to us, when
15 was that developed and when was it distributed to all
16 the different CLECs?

17 A. (Allen) I couldn't give you an exact date. It was
18 developed around either before or after cutover, and
19 distributed at that time. Specifically when, I don't
20 know.

21 Q. On the billing side of it, does, on retail, do you
22 provide sub BANs for your accounts? Meaning a
23 parent/child relationship under your accounts, as
24 Verizon did?

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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 A. (Bergeron) Yes. I mean, we have multitiered levels for
2 the resellers. In some cases, we've got the -- the
3 level of the account, is that what you're asking?

4 Q. No, sub BANs. Meaning you have one parent, you have
5 one BAN, and then, underneath that BAN, you have
6 subaccounts --

7 A. (Bergeron) Right.

8 Q. -- that are underneath it?

9 A. (Bergeron) Right.

10 Q. That are all billed at one time and separated out?

11 A. (Bergeron) Yes. It's a multilevel hierarchy in our
12 system. And, so, you know, to maintain your whole
13 hierarchy, let's say, for, you know, for Otel or for G4
14 Communications, we would have the highest level being
15 your highest account, and then we would have the
16 structure that reports up to that account, which would

17 be, you know, your other BANs, your QBANs, and then we
18 would have the actual child accounts under neither
19 there.

20 Q. Does wholesale provide that as well?

21 A. (Block) The parent/child functionality to CDG does not
22 exist.

23 Q. This is a function that we had from Verizon for our
24 wholesale services. That, as of the cutover, went
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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 away, and we now have one -- everything is under one
2 large BAN that makes it very difficult for us. I
3 started investigating this back in April with your
4 Billing Department, asking to have this established.
5 You know, we were looking -- we have a very large
6 customer. We are looking to have created sub BANs, as
7 we had before, but all we wanted to do was separate
8 them from our regular BANs, and we were not told. Is
9 your Billing Department aware that sub BANs cannot be
10 completed in the wholesale?

11 A. (Block) I was not aware of that issue.

12 Q. Okay.

13 A. (Block) Are you referring to cycle 30 UNE-L accounts?

14 [Court reporter interruption]

15 BY MS. CHASE:

16 Q. That I don't know.

17 MS. BAILEY: Cycle 30 UNE-L.

18 BY THE WITNESS:

19 A. Is she referring to FairPoint's cycle 30 UNE-L BANs?

20 BY MS. CHASE:

21 Q. They're not UNE-L BANs. This would be, prior to
22 cutover, when we would collocate, we would receive four
23 BANs per rate center. They were already established,
24 they were called "S-BANs", and then we had one larger
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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 BAN. So, when we received our invoice, it was broken
2 out by subaccounts per rate center. We have now just
3 been told, within the last week that this is not
4 capable. And, then, if we want this, that we need to
5 go to retail. We have to order the retail in order to
6 get this service.

7 A. (Block) I'm not familiar with that. We are making some
8 changes to the collocation bill to look more like
9 Verizon. But I do not believe we're doing --

10 Q. This isn't in regards to -- it was when we would become
11 collocated for two wire circuits, for LSR orders, we
12 would receive a BAN. So, it's not -- not to do with
13 collocation. I believe you were on the call, on the
14 conference call that was set up, where we were told
15 that we were setting up -- we could set up individual
16 BANs, but that we could not have sub BANs?

17 A. (Block) That is correct. That functionality does not
18 exist in CDG.

19 Q. Will you be -- is it something -- if it's not offered
20 now, if it was offered by Verizon, but it's not offered
21 now, do you consider that a defect or would it be an
22 enhancement later on, to borrow from segTEL? Are you
23 planning on offering that? Do your systems support
24 that for future growth?

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1 A. (Block) I haven't been asked to go to CDG to make those
2 enhancements.

3 Q. So, when we requested it from your Billing Department,
4 they didn't come to you on our behalf and ask for that?

5 A. (Block) I have not been asked to make that enhancement.
6 We do provide BANs, multiple BANs to carriers. But the
7 parent/child relationship I think you're referring to,
8 I have not been asked to pursue that enhancement.

9 Q. Okay. Is that something you're willing to discuss with
10 us later, you know, --

11 A. (Block) Yes.

12 MS. CHASE: Okay. Thank you. I'm going
13 to go. I have to leave.

14 MR. CIFTCIOGLU: I did have a couple of
15 issues from the retail and the wholesale billing sides,
16 however, we have talked with Mr. Bergeron and Mr. Block,

17 we will take it off the record, so we don't waste your
18 time.

19 BY MR. CIFTCIOGLU:

20 Q. However, I do have another unique situation, which I do
21 need to bring it up. Our company, as being a CLEC, has
22 communications services tax-exempt and also, as a
23 filer, universal services fund exempt. Now, obviously,
24 these certificates was provided to Verizon and,
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1 obviously, after that to FairPoint. We have discovered
2 some of our accounts were being billed in correctly
3 within those taxes. After talking to the Department of
4 Revenue in New Hampshire, they suggested that we need
5 to work with the vendor to get those credits.
6 Therefore, we basically applied and initiated the
7 dispute process with FairPoint for the last three
8 years. However, the people that I've been working with
9 came back and told me that FairPoint can only issue the
10 credits up to April of 2008, when they took over from
11 Verizon. And, that I needed to go back to Verizon to
12 get the credits before April of 2008. You know, we
13 have -- no longer have any other contacts with Verizon
14 in that regards. And, I asked help to get me some
15 information or work with me in order to finalize these
16 credits, which, you know, I couldn't go anywhere. And,

17 you know, as a desperate attempt, in one of the PUC
18 sessions, I actually brought this issue and talked to
19 one of the FairPoint representatives. And, he was very
20 helpful, very kind. He gave me his contact
21 information, and he said he will look into it.
22 However, several e-mails and trying to contact him, I
23 did not hear back from him. There are some money owed
24 to us because of this issue, and I am not sure how to
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1 resolve it.

2 A. (Nixon) Let me do this, if I might. If you and I can
3 speak right after this?

4 Q. Sure.

5 A. (Nixon) I'm not sure I know exactly what the issues
6 are.

7 Q. Sure.

8 A. (Nixon) But I believe I can get you in touch with the
9 right people.

10 Q. Sure. That's pretty much what I need.

11 A. (Nixon) Okay.

12 MR. CIFTCIOGLU: And, that's it. That's
13 all I have. Thank you.

14 MS. HATFIELD: Thank you. I do have
15 just a couple of other questions.

16 BY MS. HATFIELD:

17 Q. Mr. Lamphere, earlier you were talking about total late
18 orders remaining, I believe, and you were walking
19 through why some of them were held, including need
20 facilities and that sort of thing. Do you recall that?

21 A. (Lamphere) I do.

22 Q. And, I think you said there were 567 that were held for
23 internal company reasons. Do you remember that?

24 A. (Lamphere) I do.

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1 Q. And, could you tell us what those reasons are?

2 A. (Lamphere) I believe we mentioned earlier in the
3 discussion that there's a host of reasons. I'm not
4 familiar with each individual company reason. I think
5 we actually had a data request to get you that
6 information.

7 MS. HATFIELD: Is that a pending
8 request?

9 MR. MCHUGH: I didn't think so, but --

10 MS. HATFIELD: Okay. I'd like to make
11 it one. If the Company could provide the list of internal
12 company reasons.

13 WITNESS NIXON: I think what we did --
14 let me interject. I think what we did is Mr. Allen added
15 the two numbers together and said they may be internal but
16 they're actionable by FairPoint, added those two numbers

17 together and got a number that we believe was actionable.
18 And, whether it's internal or not, I think the point he
19 made, although he's sitting to my left, is that that is
20 within our jurisdiction and we should be able to act on
21 those.

22 WITNESS LAMPHERE: Right. And, that
23 left a balance of 3,200 plus orders that are actionable or
24 accountable by FairPoint, in essence.

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1 BY MS. HATFIELD:

2 Q. And, will these new numbers that you're discussing,
3 will those show up on either a daily report or what has
4 been contemplated, potentially a new weekly or biweekly
5 report?

6 A. (Nixon) I'm not sure. As I think I stated several
7 times, that we're in the process of developing what
8 that report would look like. The request has been made
9 that we would work with the groups to see what might be
10 incorporated in that. And, I know we'll be involving
11 Liberty in those discussions, to make sure it fills the
12 needs, without being, you know, it fulfills the needs
13 of the parties, and I'll leave it there.

14 Q. And, when you say "fulfills the needs of the parties",
15 would you include the New Hampshire OCA in that?

16 A. (Nixon) We would seek your input.

17 Q. Thank you. In terms of Ms. Weatherwax, I'm wondering,
18 will she have a staff of people to help her with what
19 is really an enormous task that she has ahead of her?

20 A. (Nixon) She has the Project Management Office reporting
21 to her. I think it's a staff of 11. And, she has the
22 authority and the ability to reach within the
23 organization to garner the support of staff and
24 assistance with anybody in the organization that can
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[WITNESS PANEL: Nixon|Allen|Lamphere|Bergeron|Block]

1 help her achieve her goals.

2 Q. And, does she have a budget, so that she can do things,
3 such as hire consultants?

4 A. (Nixon) She reports to the CEO, and he does.

5 Q. And, the Project Management Office that currently has
6 11 people, what are they doing now that they're able to
7 not do that and work for her?

8 A. (Nixon) I think I would character -- that group is
9 already working on many of the efforts to -- the IT
10 efforts. And, so, I will tell you, it will be
11 compatible, it would be aligned, and it would be
12 complementary.

13 Q. I have two questions that you might consider
14 confidential, but I think I can ask them publicly, and
15 maybe we can talk about it confidentially. One is, we
16 would like to get an update from FairPoint on your

17 collections activity. The Commission recently issued
18 an order -- a letter saying that FairPoint could resume
19 collections, and we just haven't had an update from you
20 since then on how is it going, but we could do that
21 confidentially. And, then, I had a question related to
22 --

23 A. (Nixon) Excuse me for a minute. How would you
24 visualize it? Is that a phone call?

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1 Q. Sure.

2 A. (Nixon) Want me to set that up?

3 Q. Or, we could maybe follow up after this and decide how
4 to do that.

5 A. (Nixon) Okay.

6 MS. HATFIELD: And, then, I have a
7 question related to information that was just provided to
8 us today from the organizational charts. So, perhaps we
9 could do that after the public session ends.

10 MR. HUNT: Has everyone exhausted their
11 questions for the public session?

12 (No verbal response)

13 MR. HUNT: Do you need a break? Take a
14 five minute break.

15 (Whereupon a recess was taken at 6:04
16 p.m. During the recess an

17 off-the-record discussion took place and
18 it was decided that the technical
19 session would be adjourned at this time.
20 Therefore, the technical session ended
21 at 6:04 p.m.)

22

23 [THE FOLLOWING PAGE CONTAINS THE CERTIFICATE PAGE]

24

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C E R T I F I C A T E

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5

I, Steven E. Patnaude, a Licensed Court Reporter and Notary Public for the State of New Hampshire, do hereby certify that the foregoing is a true and accurate transcript of the technical session regarding DT 07-011, taken at the place and on the date hereinbefore set forth, to the best of my skill and ability under the conditions present at the time.

9

10 I further certify that I am neither attorney
11 or counsel for, nor related to or employed by any
12 of the parties to the action in which this
13 deposition was taken; and further, that I am not
14 a relative or employee of any attorney or counsel
15 employed in this case, nor am I financially
16 interested in this action.

14

Steven E. Patnaude, LCR
(N.H. LCR No. 52; RSA 331-B)

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