

New Hampshire Public Utilities Commission Staff Advocates

Docket No. 10-025

Respondent: John Lisciandro
Director,
Deloitte FAS

Request: One Communications Corp.
CRC Communications of Maine, Inc.
Baying Communications

Dated: March 31, 2010

Item: One: Staff ADV-8 Please refer to the Lisciandro Testimony at page 12, line 11: Please describe the "risk associated with achieving these reductions."

Reply: Any cost-reduction exercise has risks that the cost reduction initiatives will not be achieved or achieved but to some lesser extent. Some examples could include: a) service levels or performance could be impacted and thus anticipated cost reductions must be scaled back to avoid disruption; and b) other unrelated increases in costs may occur which could partially or fully offset any cost reductions achieved thus causing overall expense levels to remain flat or decline less than goal levels.