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October 19, 2007

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By Hand Delivery

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

Re: DT 07-011 Verizon New England Inc., Bell Atlantic Communications Inc.,
NYNEX Long Distance Co., Verizon Select Services Inc., and Fairpoint
Communications, Inc.

Dear Ms. Howland:

This letter will serve as a response to the letter request filed by Attorney Scott Sawyer dated October 11, 2007. In that request, Attorney Sawyer requested the disclosure of "...the filing for Commission review of certain so called "bilateral" settlement agreements as described in General Counsel Kreis's letter of October 9, 2005." Attorney Sawyer also requested the "...settling parties...promptly file their settlement agreements...", apparently for public review. FairPoint Communications, Inc. ("FairPoint") objects to the disclosure of settlement agreements to any party to these proceedings (excluding the Commission Staff) for the reasons set forth herein.

As a first matter, it is correct that FairPoint has entered into settlement agreements with entities considered to be competitive local exchange carriers ("CLECs"). The agreements contain terms requiring the parties to honor considerations of non-disclosure and confidentiality. However, no settlement agreement (or any agreement for that matter) can be effective until (i) Verizon and FairPoint secure all necessary regulatory approvals and (ii) the merger transaction closes. Hence, no valid concern exists with respect to "discrimination" as stated in Attorney Sawyer's letter as FairPoint has no control or authority over the Verizon properties.

Sharing the agreements with the parties to this proceeding, especially competitors, serves no valid purpose. This Commission need not approve the settlement agreements, because they are neither Section 251 agreements under the Communications Act of 1934, as amended (the "Act"), nor any other type of agreement that must be filed with the Commission. *See* 47 U.S.C. 252(e)(1) ("Any interconnection agreement adopted by negotiation or arbitration shall be submitted for approval to the State commission.") *See also* NH RSA 378:10. Rather, the agreements subject to Attorney Sawyer's request are settlement agreements that the parties agreed would be kept confidential

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(consistent with standard practice). These agreements simply will provide a basis on which to amend other, existing agreements, at a future date after these proceedings are finally decided.

In other words, disclosing the settlement agreements now would be premature. To the extent the parties ultimately are required to make filings pursuant to Section 252(e) of the Act or NH RSA 378:1 to reflect their intent to extend or otherwise amend any Section 251 agreements, the parties must make the appropriate filing upon closing, at which point this Commission will have the authority to approve such agreements. At such time, the Commission can decide whether issues of discrimination must be addressed (which will not be an issue). Thus, competitors need not to have access to one-another's confidential material and one group of CLEC's have no valid need to review their competitors business dealings.

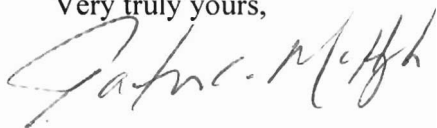
Second, this Commission's administrative rules are clear. Settlement conferences and related discussions are confidential and cannot be disclosed to third parties. *See* PUC 203.20. Settlement discussions cannot be introduced as evidence in the proceedings at issue. *Id.* This rule makes sense. Parties ought to be free to discuss the resolution of litigated issues absent the fear that settlements or negotiations will be used against their interests by third parties or the negotiating parties. The rule advances dispute resolution and, to the extent parties are able to resolve disputes, the process promotes the orderly and efficient administration of these proceedings.

FairPoint disagrees with Attorney Sawyer's description of what transpired with respect to the settlement with Vermont Electric Cooperative, Inc. In any event, that history is not relevant here. (FairPoint can provide further detail if the Commission deems it useful.)

Accordingly, FairPoint submits that the relief requested in Attorney Sawyer's letter should be denied. As an alternative, if it would assist the Commission, and while reserving FairPoint's position as stated above (and all other legal rights and remedies in connection therewith), FairPoint proposes to provide the Commission with the confidential CLEC based settlement agreements on an in camera basis.

Thank for your attention to this matter.

Very truly yours,



Patrick C. McHugh

PCM:kaa

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cc: Office of Consumer Advocate
Electronic Service List
Scott Sawyer, Esquire