STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DT 07-011

VERIZON NEW ENGLAND, INC. et alia

Joint Petition for Authority to Transfer Assets and Franchise to FairPoint Communications, Inc.

Order Revising Procedural Schedule

<u>ORDER NO. 24,779</u>

July 20, 2007

I. BACKGROUND

On July 17, 2007, the Office of Consumer Advocate (OCA) filed a motion seeking "an extension of the procedural schedule for all parties (except for the settlement conferences scheduled for July 25-27) to allow the parties and Staff sufficient time to analyze newly received information so that it can be included in Intervenor testimony." The OCA also requested that the Commission direct the parties to develop a new procedural schedule during their upcoming settlement conferences. Verizon New England, Inc. d/b/a Verizon New Hampshire (Verizon) filed an opposition to the OCA motion on July 18, 2007. FairPoint Communications, Inc. (FairPoint) also filed an opposition to the motion on July 18, 2007. By secretarial letter of July 18, 2007, the July 20 deadline for the submission of testimony by OCA, Staff and Intervenors was suspended pending further action.

The essence of the OCA motion is an allegation that the information it has received in discovery, and continues to receive, is in such flux that it cannot reasonably comply with the current procedural schedule, which includes the July 20 filing date for

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OCA's testimony and concludes with seven days of merits hearings, commencing on September 20, 2007, followed by written briefing. The OCA also asserts that an extension of time will result in more complete testimony and thus assist the Commission in its review of the petition.

In opposition, Verizon contends that OCA has not demonstrated the undue hardship required by Puc 202.04 (governing extensions of time). According to Verizon, the new information OCA has received consists either of (1) data the Commission specifically declined to require FairPoint to provide in discovery on grounds of relevancy, and (2) information that is too tangential to the issues in the case to warrant revisitation of the procedural schedule. Further, Verizon points out that the procedural schedule currently provides OCA and other parties with a second opportunity to submit pre-filed testimony, on August 22, 2007, an occasion Verizon views as an opportunity for those parties to address any new information.

Both Verizon and FairPoint allude to their obligation under Puc 203.09(k) to supplement discovery responses prior to the issuance of the final order when "the party obtains information which the party would have been required to provide in such response had the information been available to the party at the time the party served the response." According to FairPoint, a "small handful" of such supplementations have been necessary, thus engendering OCA's motion. FairPoint further contends that OCA's allegations about the effect of these supplementations are conclusory and/or related to tangential matters, and do not justify a suspension of unspecified duration. Relying on a 1986 order of the Commission, FairPoint also takes the position that OCA was obliged to demonstrate its entitlement to an extension of time by submitting an affidavit.

II. ANALYSIS

Puc 202.04 requires the Commission to grant a timely request for an extension of time if (1) the party making the request has demonstrated that circumstances would cause undue hardship or inconvenience under the otherwise applicable deadline, and (2) the extension would not unduly delay the proceeding or adversely affect the rights of any party. The Commission must grant a request for the postponement of a hearing pursuant to Puc 203.13 when such postponement would promote the orderly and efficient conduct of the proceeding.

In our view, the OCA has demonstrated, in light of the voluminous discovery in this momentous proposed transaction, the requisite hardship or inconvenience under the circumstances to justify extending into early August the deadline for its initial testimony. Furthermore, recognizing the importance and complexity of this proceeding, as well as competing obligations in other proceedings, we find, pursuant to Puc 203.13, that it would promote the orderly and efficient conduct of the proceeding to reschedule the merits hearing in this case to October 22, 23, 24, 25, 29, 30 and 31. This change will accommodate changes in earlier deadlines, including the filing of Staff, OCA and Intervenor testimony, which will be necessary to protect the parties' rights given the extension of the July 20 deadline for testimony. This revision to the procedural schedule will still allow a final determination in the case on a timeline reasonably close to the one originally contemplated by the joint petitioners, and therefore does not unduly delay the proceedings or adversely affect the petitioners' rights. Finally, contrary to the suggestion of FairPoint, Puc 202.04 does not require OCA to support its position with an affidavit.

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> The parties should confer during their upcoming settlement discussions and, to the extent possible, agree upon the dates for filing of Staff, OCA and Intervenor testimony and other revisions to the procedural schedule consistent with the foregoing. Staff is directed to file a report of these discussions on or before July 31, 2007, after which the Commission will issue a fully revised procedural schedule. To the extent the relief requested by the OCA in its motion exceeds that provided above, the OCA motion is denied.

Based upon the foregoing, it is hereby

ORDERED, that the procedural schedule is revised as discussed herein.

By order of the Public Utilities Commission of New Hampshire this twentieth day of July, 2007.

Chairman

Commissioner

Commissioner

Attested by:

Debra A. Howland

Executive Director & Secretary

CHRISTOPHER J ALLWARDEN PUBLIC SVC OF NEW HAMPSHIRE 780 NORTH COMMERCIAL ST **PO BOX 330**

MANCHESTER NH 03105

NANCY BROCKWAY **NBROCKWAY & ASSOCIATES**

10 ALLEN ST BOSTON MA 02131 MARK C DEL BIANCO 3929 WASHINGTON ST **KENSINGTON MD 20895**

JOHN ANTONUK

LIBERTY CONSULTING GROUP

65 MAIN ST **PO BOX 237**

OUENTIN PA 17083-0237

STEVEN V CAMERINO

MCLANE GRAF RAULERSON & MIDD

11 SOUTH MAIN ST STE 500

CONCORD NH 03301

VICTOR D DEL VECCHIO **VERIZON NEW ENGLAND** 185 FRANKLIN ST 13TH FL BOSTON MA 02110-1585

KELLY ATWOOD

DEVINE MILLIMET & BRANCH PA

49 N MAIN ST

CONCORD NH 03302

MICHAEL CANNATA

LIBERTY CONSULTING GROUP

65A RIDGE RD

DEERFIELD NH 03037

GERALD M EATON

PUBLIC SERVICE COMPANY OF NEW F

780 N COMMERCIAL ST

PO BOX 330

MANCHESTER NH 03105-0330

SUSAN BALDWIN 17 ARLINGTON ST

NEWBURYPORT MA 01950

GENT CAV

OTEL TELEKOM INC ONE SUNDIAL AVE STE 210

MANCHESTER NH 03103

GARY EPLER

UNITIL ENERGY SYSTEMS INC

6 LIBERTY LANE WEST HAMPTON NH 03842-1720

KATHERINE E BARKER MARSHALL KELLEY DRYE & WARREN LLP

3050 K ST NW STE 400 **WASHINGTON DC 20007** ROBERT CIANDELLA

DONAHUE TUCKER & CIANDELLA

225 WATER ST

EXETER NH 03833-0630

DAN FELTES

NEW HAMPSHIRE LEGAL ASSISTANCE

154 HIGH ST

PORTSMOUTH NH 03802

ALEXANDRA E BLACKMORE

GRANITE STATE ELECTRIC COMPANY

25 RESEARCH DRIVE

WESTBOROUGH MA 05182

MICHAEL CLANCY

COVAD COMMUNICATIONS GROUP I

149 MARGARET BLVD MERRICK NY 11566-3612 **PAULA W FOLEY**

ONE COMMUNICATIONS 24 ALBION RD STE 230 LINCOLN RI 02865

SARAH M BOSLEY

107 OXPENS RD **CARY NC 27513**

FREDERICK J COOLBROTH DEVINE MILLIMET & BRANCH

49 N MAIN ST PO BOX 3610

CONCORD NH 03302

KARYN P FORBES

SHAHEEN & GORDON PA

107 STORRS ST PO BOX 2703

CONCORD NH 03302-2703

DAVID BREVITZ

3623 SW WOODVALLEY TER

TOPEKA KS 66661

SEAN DANDLEY **DSCI CORPORATION** 1050 WALTHAM ST **LEXINGTON MA 02421** SHELIA GORMAN

VERIZON

125 HIGH STREET **BOSTON MA 02110**

07/20/07

Order No. 24,779 issued and forwarded to all

parties. Copies given to PUC Staff.

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FILING INSTRUCTIONS: PURSUANT TO N.H. ADMIN RULE PUC 203.02(a),

WITH THE EXCEPTION OF DISCOVERY, FILE 7 COPIES (INCLUDING COVER LETTER) TO:

DEBRA A HOWLAND

EXEC DIRECTOR & SECRETARY

NHPUC

21 SOUTH FRUIT STREET, SUITE 10

CONCORD NH 03301-2429

ANTHONY HANSEL COVAD COMMUNICATIONS CO 600 14TH ST NW STE 750 WASHINGTON DC 20005

MEREDITH A HATFIELD OFFICE OF CONSUMER ADVOCATE 21 SOUTH FRUIT ST STE 18 CONCORD NH 03301

RORIE HOLLENBERG
OFFICE OF CONSUMER ADVOCATE
21 SOUTH FRUIT ST STE 18
CONCORD NH 03301-2429

ROBERT T HYBSCH PUBLIC SERVICE COMPANY OF NEW H 780 NORTH COMMERCIAL ST PO BOX 330 MANCHESTER NH 03105-0330

NANCY JACOBSON ONE COMMUNICATIONS 24 ALBION RD STE 230 LINCOLN RI 02865

JEREMY L KATZ SEGTEL INC PO BOX 610 LEBANON NH 03766

HEATHER KAUFMAN NEW HAMPSHIRE ELECTRIC COOPER 579 TENNEY MT HIGHWAY PLYMOUTH NH 03264

GREGORY M KENNAN ONE COMMUNICATIONS 24 ALBION RD STE 230 LINCOLN RI 02865 KIMBALL L KENWAY CURTIS THAXTER STEVENS BRODER & ONE CANAL PLAZA 10TH FLR PO BOX 7320 PORTLAND ME 04112-7320

CHARLES KING LIBERTY CONSULTING GROUP 65 MAIN ST PO BOX 237 QUENTIN PA 17083-0237

SARAH KNOWLTON MCLANE GRAF RAULERSON & MIDD 100 MARKET ST STE 301 PORTSMOUTH NH 03801

WALTER E LEACH JR FAIRPOINT COMMUNICATIONS INC 521 E MOREHEAD ST STE 250 CHARLOTTE NC 28202

ALAN LINDER
NH LEGAL ASSISTANCE
48 SOUTH MAIN ST
CONCORD NH 03301

SHIRLEY J LINN FAIRPOINT COMMUNICATIONS INC 521 E MOREHEAD ST STE 250 CHARLOTTE NC 28202

ALAN D MANDL SMITH & DUGGAN LLP LINCOLN NORTH 55 OLD BEDFORD RD LINCOLN MA 01773-1125

MARLA B MATTHEWS GALLAGHER CALLAHAN & GARTREL 214 N MAIN ST CONCORD NH 03301 PATRICK MCHUGH DEVINE MILLIMET & BRANCH PA 111 AMHERST ST PO BOX 719 MANCHESTER NH 03101

JUDITH MESSENGER
PAETEC COMMUNICATIONS INC
ONE PAETEC PLAZA
600 WILLOWBROOK OFFICE PARK
FAIRPORT NY 14450

CAROL MILLER
NEW HAMPSHIRE INTERNET SERVICE
PO BOX 8008
NASHUA NH 03060

KATHERINE B MILLER DONAHUE TUCKER & CIANDELLA PL 225 WATER STREET PO BOX 630 EXETER NH 03833-0630

ROBERT J MUNNELLY JR MURTHA CULLINA LLP 99 HIGH ST 20TH FLR BOSTON MA 02110

JOHN NESTOR III VERIZON NEW HAMPSHIRE 900 ELM ST STE 1927 MANCHESTER NH 03101-2008

ROGELIO E PENA PENA & ASSOCIATES LLC 4845 PEARL EAST CIR STE 101 BOULDER CO 80301-6113

DONALD PFUNDSTEIN GALLAGHER CALLAHAN & GARTREL 214 N MAIN ST P O BOX 1415 CONCORD NH 03302

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PAUL J PHILLIPS
PRIMMER PIPER EGGLESTON & CRAM
421 SUMMER ST
PO BOX 159
ST JOHNSBURY VT 05819-0159

SCOTT SAWYER 38 THIRD ST BARRINGTON RI 02806 DARREN R WINSLOW UNION COMMUNICATIONS 13 CENTRAL ST PO BOX 577 FARMINGTON NH 03901

CHRISTOPHER J POLLART RUBIN AND RUDMAN LLP 50 ROWES WHARF BOSTON MA 02110 GREGG STRUMBERGER LEVEL 3 COMMUNICATIONS LLC 1025 ELDORADO BLVD BROOMFIELD CO 80021 SUZANNE WOODLAND CITY OF PORTSMOUTH 1 JUNKINS AVENUE PORTSMOUTH NH 03801

KAREN M POTKUL XO COMMUNICATIONS SERVICES INC 1601 TRAPELO RD STE 397 WALTHAM MA 02451 BRIAN SUSNOCK THE DESTEK NETWORKING GROUP I ONE INDIAN HEAD PLAZA NASHUA NH 03060

R EDWARD PRICE CHOICE ONE COMMUNICATIONS INC 100 CHESTNUT ST 14TH FLR ROCHESTER NY 14604 BEN THAYER BAYRING COMMUNICATIONS 359 CORPORATE DR PORTSMOUTH NH 03801-2888

AUDREY J PRIOR
FAIRPOINT COMMUNICATIONS INC
155 GANNETT DR
SOUTH PORTLAND ME 04106

KELLY TOROSIAN IBEW NH 46 THIRD ST MANCHESTER NH 03102-4596

SUSAN ROCKEFELLER CURTIS THAXTER STEVENS BRODER & ONE CANAL PLAZA PORTLAND ME 04112-7320 ROJEAN TULK FAIRPOINT COMMUNICATIONS INC 155 GANNETT DR SOUTH PORTLAND ME 04106-6942

SCOTT J RUBIN 3 LOST CREEK DR SELINSGROVE PA 17870 ROBIN E TUTTLE FAIRPOINT COMMUNICATIONS INC 521 E MOREHEAD ST STE 250 CHARLOTTE NC 28202

ARPIAR G SAUNDERS JR SHAHEEN & GORDON PA PO BOX 2703 CONCORD NH 03302-2703 RANDY VICKROY LIBERTY CONSULTING GROUP 65 MAIN ST PO BOX 237 QUENTIN PA 17083-0237

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GARY A ABBOTT 48 GRANDVIEW RD BOW NH 03304 SUSI NORD 32 MURRAY HILL RD CANDIA NH 03034-2616

JESSICA CLARK 161 LONDONDERRY TURNPIKE HOOKSETT NH 03106 STACEY L PARKER 12 TOZER RD BEVERLY MA 01915

MARLENE M DECHANE PO BOX 123 BARRINGTON NH 03825-0123 CHRIS RAND 600 SOUTHSTARK HIGHWAY PO BOX 8 WEARE NH 03281

BILL HAMILTON 900 ELM ST STE 702 MANCHESTER NH 03101 WILLIAM STAFFORD 600 SOUTH STARK HWY PO BOX 87 WEARE NH 03281

BARBARA HULL RICHARDSON 101 MORGAN RD RICHMOND NH 03470-4909 JUNE E TIERNEY 112 STATE ST MONTPELIER VT 05620-2601

JAMES MONAHAN 114 NORTH MAIN ST STE 401 CONCORD NH 03301

RALPH J MONTEFUSCO 172 WOODBURY ROAD BURLINGTON VT 05408

GAIL MORRISON PO BOX 133 SANBORNTON NH 03269

STEPHEN NELSON 2 STARK HIGHWAY SOUTH DUNBARTON NH 03045

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INTERESTED PARTIES

RECEIVE ORDERS, NOTICES OF HEARINGS ONLY