

FairPoint Communications, Inc.
State of New Hampshire
Docket No. DT 07-011

Respondent: Michael T. Skrivan
Title: Senior Director, Regulatory
Affairs

REQUEST: One Communications - Rebuttal

DATED: September 1, 2007

ITEM: 3 Please refer to the Skrivan rebuttal testimony at p. 13, lines 3-11, in which Mr. Skrivan states that FairPoint may include capitalized costs of the new systems that Fairpoint is acquiring, developing and implementing in future rate proceedings. Does FairPoint include future UNE rate proceedings in this statement?

REPLY: FairPoint would expect to include OSS costs in any TELRIC study. FairPoint does not agree that it is in the public interest for FairPoint to agree to exclude OSS costs from future rate proceedings of any kind as a condition of approval of this transaction. FairPoint notes that its future costs will exclude existing Verizon OSS costs and replace these with its own OSS costs. FairPoint would expect to include the forward-looking costs of its OSS systems in a future proceeding based on TELRIC pricing.