

**STATE OF NEW HAMPSHIRE**  
**BEFORE THE**  
**PUBLIC UTILITIES COMMISSION**

**DT 07-011**

**Joint Petition by Verizon New England, Inc., et al.  
and FairPoint Communications, Inc.  
Transfer of New Hampshire Assets of  
Verizon New England, Inc. et al.**

**Rebuttal Testimony of Brian Lippold  
On Behalf of  
FairPoint Communications, Inc.**

**September 10, 2007**

Summary: Mr. Lippold's testimony responds to the prefiled rebuttal testimony submitted by CLEC intervenors, NECTA/Comcast and other parties regarding issues related to the wholesale interconnection services FairPoint will provide, and comments on the competitive landscape in New Hampshire and elsewhere. Mr. Lippold provides an update on FairPoint's planning with respect to the development of the wholesale services operation and the systems that will support it. Mr. Lippold also discusses how existing interconnection and other inter-carrier agreements will be assumed by FairPoint, with no diminution in services to CLECs, and how CLECs will enjoy the same rates (including volume discounts) after the closing. Mr. Lippold also describes FairPoint's proposals that benefit interconnecting carriers, in response to matters raised by various intervenors.

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Mr. Lippold Sponsors the Following Exhibits:

- |               |                            |
|---------------|----------------------------|
| Exhibit BL-1  | Resume of Jeffrey McCarthy |
| Exhibit BL-2  | Resume of Jeffrey Allen    |
| Exhibit BL-3  | Resume of Michelle Hymson  |
| Exhibit BL-4  | Resume of Ralph Thompson   |
| Exhibit BL-5  | Resume of Rich Murtha      |
| Exhibit BL-6  | Resume of Tim Burns        |
| Exhibit BL-7  | Resume of Jim Quinn        |
| Exhibit BL-8  | Resume of Al Barry         |
| Exhibit BL-9  | Resume of David Lendry     |
| Exhibit BL-10 | Resume of John Berard      |
| Exhibit BL-11 | Resume of Paul Michalko    |

## Introduction

1 **Q.** Please state your name and business address.

2 **A.** Brian Lippold, 155 Gannett Drive, South Portland, ME 04106.

3 **Q.** What is your position and by whom are you employed?

4 **A.** Vice President for Business & Wholesale Services, FairPoint Communications, Inc.

5 **Q.** Please provide your educational background and professional experience.

6 **A.** I have more than twenty-three years experience in the competitive telecom industry,  
7 having started as a billing systems programmer and switch technician and progressed  
8 through supervisory, management, director and VP level positions within network  
9 planning, engineering and operations. I have also held general management and sales  
10 management responsibilities on a local, regional and national basis and have served both  
11 enterprise and wholesale customers. With respect to wholesale responsibilities, I  
12 recreated and led a large regional wholesale sales and service organization for more than  
13 three years as Vice President of Carrier Services with TelCove, Inc. My final position  
14 prior to joining FairPoint was as Senior Vice President of State Government, Research  
15 and Higher Education for Level 3 Communications. I have also been responsible for  
16 purchasing services from Bell Operating Companies (BOCs) in various positions over the  
17 course of my career.

18 **Q.** What are your current responsibilities at FairPoint?

1    **A.**    I am responsible for the design, staffing and management of the business and wholesale  
2            services organization, and for growing the revenues associated with these businesses post  
3            merger close. I started with FairPoint at the end of April, and am working with  
4            Capgemini to help ensure that appropriate systems are in place to support the wholesale  
5            business. Between now and the end of the third quarter of 2007, much of my work will  
6            be focused on staffing the business and wholesale organization with experienced  
7            individuals in each of the key management and account management roles. I will also be  
8            working with my management team to ensure that our team is fully staffed and trained,  
9            that business rules have been established, and that our team is ready to support our  
10           customers post closing and post cutover. Currently, I am working closely with the  
11           wholesale customers to develop a proposal and potential settlement agreement and to  
12           gain their input for training, order processing and trouble reporting certification,  
13           continuation of interconnection agreements and commercial services agreements, and  
14           ongoing user forums. I am also involved in the regulatory proceedings necessary for  
15           approval of this transaction.

16    **Q.**    What is the purpose of your testimony?

17    **A.**    My testimony responds to the prefiled rebuttal testimony submitted by various  
18           Intervenors regarding issues related to the wholesale interconnection services FairPoint  
19           will provide and recommended conditions of approval as made in the direct testimony.  
20           My testimony also responds to matters related to the competitive landscape in the State of  
21           New Hampshire and elsewhere.

1                   **Wholesale Services Organization and Support Systems**

2   **Q.**    Can you provide the New Hampshire Public Utilities Commission (the Commission) with  
3           an update on FairPoint's planning with respect to the development of the wholesale  
4           services organization and the systems that will support it?

5   **A.**    Yes. As I speak, FairPoint is engaged in the ongoing process of implementing its  
6           commitment to be a high-quality provider of services to the CLECs and to other  
7           wholesale customers. This process involves, primarily, establishing the wholesale  
8           services organization that I will lead and developing systems that will allow FairPoint to  
9           provide wholesale services and will allow its customers to order and maintain those  
10          services.

11           With regard to the systems and their interfaces, it is FairPoint's business partner,  
12           Capgemini, that is developing the back-office systems (and that has experience with  
13           implementing industry standard wholesale interfaces) required for the wholesale  
14           operations. The three main areas that have been of the greatest concern to our wholesale  
15           partners are ordering, billing, and trouble management. For each of these areas we will  
16           be putting in place systems and processes that are similar to Verizon's existing systems  
17           and will use the same industry standards as are used by Verizon today. We will utilize  
18           the Order and Billing Forum (OBF) industry standard versions and processes for partner  
19           transaction exchange, which we will adhere to in all cases, even where Verizon's existing  
20           systems do not.<sup>1</sup> Because all our systems will be based on the industry standards, any

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<sup>1</sup> To be specific, the standards and versions that we presently expect to utilize include the following: Access

1 wholesale customer should have to make very few, if any, changes to its own systems.  
2 Depending on the order type, FairPoint will support EDI, MechSpec, and/or XML.  
3 FairPoint will have the same interface standards by order type that Verizon supports  
4 today. The final details of the interface message format and transport method for ASR,  
5 LSR, and Trouble Tickets will be shared in formal Interface Specification documentation.

6 **Q.** Please address ordering first. Will there be a gateway in place and how will it work?

7 **A.** Yes. FairPoint intends (and will commit) to install gateway systems, using a Web GUI  
8 and an EDI interface, that will allow FairPoint to accept orders in a manner that is similar  
9 to that utilized today by Verizon. The FairPoint gateway system will submit the resale,  
10 facilities-based, and interconnect orders to FairPoint's back-office suite of systems for  
11 provisioning, activation, billing, and maintenance. The vendor for this system is Wisor,  
12 and their product has similar features and functionality as the existing Verizon system.  
13 Although Verizon does not use Wisor, the system we have chosen is based on the  
14 industry standard, and we understand that a significant number of the wholesale  
15 customers throughout the country already use it. Pre-order qualification will also be  
16 covered by the Wisor system. FairPoint understands that it is important to our wholesale  
17 customers that FairPoint maintain parity between retail and wholesale orders. FairPoint  
18 is committed to doing just that; therefore, all wholesale orders will be treated with the  
19 same dispatch and will be placed into the same provisioning system as FairPoint's retail

1 orders. Wholesale customers should understand that FairPoint (i) is committed to  
2 treating them as customers and (ii) believes that they are an important part of our  
3 business.

4 Q. Will you please address wholesale billing and trouble management related issues?

5 A. Certainly. With respect to access and wholesale billing, FairPoint intends to utilize a  
6 service bureau arrangement for this activity. Vendors will adhere to MECABS (Multiple  
7 Exchange Carrier Access Bill) or the C/BOS (CABS Billing Output Specifications)  
8 standards. Vendors will support the creation of electronic bills or a paper format.  
9 Vendors will support Electronic delivery via Secure FTP, Magnetic Tape (3590  
10 Cartridges), ConnectDirect (over Private Lines) or CD-ROM. With respect to providing  
11 call detail records, FairPoint will provide this data in the standard EMI format. Mr. Haga  
12 provides additional information about these issues.

13 In terms of trouble management, FairPoint will follow the Trouble Administration  
14 Guidelines as identified in the EBTA/ANSI standards, as Verizon does today. Using the  
15 industry-standard message format, FairPoint's new systems will accept trouble tickets via  
16 XML, web entry, or by telephone. The content of the message itself should be the same,  
17 and the only anticipated difference is that the standard asks for a dedicated transport  
18 connection between the FairPoint system and the customer system. We intend to use  
19 SOAP<sup>2</sup> over HTTPS protocol – which, by definition, is not dedicated. Verizon utilizes  
20 this protocol at present, and this is how FairPoint's partner gateway solution is designed.

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<sup>2</sup> SOAP, "Simple Object Access Protocol", is an XML based protocol that allows for data transmission over web connections making it easier to reach hosts behind a firewall. This is generally used with both non-secure (HTTP) and secure (HTTPS) web connects.

1 Also, wholesale customer trouble tickets will go directly into FairPoint's systems with  
2 "tier two" status.<sup>3</sup> The trouble tickets will be handled by the same systems and will be  
3 treated the same as tier two retail repair.

4 At this juncture, and although the integration of the various off-the-shelf systems is still  
5 on-going, Capgemini has created a simulated environment to process test orders and  
6 trouble tickets through the WISOR system using the WebGUI capability. Capgemini is  
7 now in the process of integrating these systems with the rest of the systems being  
8 deployed.

9 Overall, it is important to note, as I did earlier, that because the FairPoint systems follow  
10 and adhere to the applicable industry standards, very little, if anything, should change for  
11 our wholesale customers for their order and trouble entry and tracking interfaces. In  
12 those instances for which I have explained that there will be some change, those changes  
13 are as a result of new or updated industry standards that are intended to be uniform across  
14 the nation.

15 While orders from wholesale customers should automatically flow through from Wisor to  
16 the provisioning system and provisioning organization, FairPoint will develop a large  
17 order and billing management team whose focus will be to ensure orders are properly  
18 received, processed and tracked, and will also be responsible for assisting with orders that  
19 fall out of the flow through process for one reason or another. After the close, as Mr.

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<sup>3</sup> A "tier two" status implies that initial trouble shooting has been performed. In tier two, we are fairly certain that the problem is not with the customer but somewhere on the network. The trouble shooting process begins from this point because we cannot contact the end-user, and we assume that the CLEC would have already performed tier one equivalent trouble shooting.



1 Smee explains, provisioning will be handled by Verizon's provisioning team in New  
2 Hampshire, which will be expanded.

3 **Q.** Several parties have raised concerns about the input that wholesale customers will have  
4 on the development of these systems and the training that will be provided. Can you  
5 explain further what FairPoint's plans are?

6 **A.** Yes. I would like to emphasize that we are not making material changes to the processes  
7 or interfaces now being used by the wholesale customers: FairPoint is putting in place  
8 systems that are very similar to the existing Verizon systems, which should result in little,  
9 if any, change for the wholesale customers. As I said earlier, FairPoint views its  
10 wholesale customers as an important part of its operations that we hope will grow.  
11 Therefore, we believe that input from our customers on the systems we are putting in  
12 place is important. With that in mind, FairPoint will begin the process and start working  
13 with CLECs with respect to systems related issues at least six (6) months in advance of  
14 cutover. We anticipate that any comments, suggestions, or concerns that our wholesale  
15 customers might have will be brought to our attention and dealt with between the  
16 business parties. Along with sharing the specifications, FairPoint will be creating  
17 training sessions and training material to ensure our customers are afforded an  
18 opportunity to become accustomed to the new systems in advance of cut-over. Part of the  
19 training plan will also include an opportunity to submit test orders, trouble tickets, etc. to  
20 ensure system compatibility with our customers' systems and processes. Once  
21 successfully completed, we will "certify" that each customer is ready and trained to  
22 interface with our systems. Details related to the training and certification will be

1 developed over the coming weeks and months and will be shared with the customers at  
2 least 6 months prior to cut-over.

3 FairPoint is already speaking with CLECs about the systems that will be put in place and  
4 has already received, and has acted on, suggestions provided by CLECs. For instance, I  
5 spoke to representatives of a wholesale customer (One Communications) who suggested  
6 that FairPoint activate a feature of the ordering/billing system that is not presently active  
7 with Verizon, but which is currently under review by the OBF as a future enhancement.  
8 FairPoint and Capgemini are considering that request and may decide to implement the  
9 suggestion as part of our system-development process. At this point in time, FairPoint is  
10 waiting for the CLEC at issue to provide additional information. It is this type of  
11 informal interaction with the CLECs that we believe will yield the best results for all  
12 parties. Finally, we intend to continue the CLEC User Group Forum currently sponsored  
13 by Verizon, which will provide a more formal process by which our wholesale customers  
14 may provide input.

15 **Q.** Could you now provide an update on the development of the wholesale services  
16 organization?

17 **A.** Based on my past experience rebuilding and operating a wholesale organization and our  
18 assessment to date of the volume of customers and products and revenues being acquired  
19 from Verizon, we believe we are well-positioned to establish a high-quality team with  
20 significant experience in the wholesale marketplace. We will have the added benefit of  
21 having leaders with significant experience and who understand how to support very large,

1 multi-faceted organizations in an enterprise environment. This is an important part of  
2 achieving our goal of treating our competitors as valued customers that are important to  
3 FairPoint.

4 We have recently hired telecommunications industry veterans as leaders for eleven (11)  
5 of the critical functions within the business and wholesale organization. Michelle  
6 Hymson will be the Assistant Vice President, Wholesale Services; Jeff McCarthy will fill  
7 the role of Assistant Vice President, Business Services; Jeff Allen will fill the role of  
8 Assistant Vice President, Customer Operations; Ralph Thompson will fill the role of  
9 Director, Business Operations; Rich Murtha will fill the role of Director, Wholesale  
10 Customer Operations; Tim Burns will fill the role of Director, Business Customer  
11 Operations; Jim Quinn will fill the role of Sales Director for Independent Telephone  
12 Companies, Wireless Providers and Cable Companies; Al Barry will fill the role of  
13 Senior Account Manager for Independent Telephone Companies; David Lendry will fill  
14 the role of Director of Program Management; John Berard will fill the role of Director of  
15 Wholesale Customer Relations; and Paul Michalko will fill the role of Director of  
16 Alternate Channel Sales.<sup>4</sup> All of these individuals have significant tenure and knowledge  
17 of the telecom landscape in northern New England and most have worked within these  
18 states for many years. These leaders will be responsible for putting in place the next  
19 level(s) of personnel in our business and wholesale division. Overall, we will put in  
20 place a wholesale division with the following components:

- 21 • Account Teams—Responsible for maintaining the day-to-day relationship and

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<sup>4</sup> Resumes for each of these leaders are attached as Exhibits BL-1 through BL-11.

1 ensuring that FairPoint fulfills the commitments contained in our tariffs and  
2 individually negotiated agreements with our wholesale customers. Where  
3 appropriate, given account activity and order volume, some customers will have  
4 dedicated individual team members. For lower volume customers, account teams will  
5 serve more than one customer.

6 Sales Engineering Team—Responsible for working hand-in-hand with the account  
7 teams to assist customers with the technical design and understanding the capabilities  
8 of the products and services supplied to our wholesale customers. These team  
9 members will have intimate knowledge of the products and the underlying network  
10 utilized to deliver the services.

- 11 • Contract Management Team—Responsible for assisting the Account Teams with  
12 contract negotiations and ensuring that FairPoint meets the obligations contained in  
13 those agreements. This team will also be instrumental with ensuring that FairPoint  
14 contracts remain consistent across our customer base and will be responsible for the  
15 cross-functional interaction with legal and regulatory resources.

16 Program Management Team—Consists of implementation managers and project  
17 managers responsible for complex implementation and project management of  
18 collocations and network extensions and augments to meet individual customer  
19 needs.

- 20 • Wholesale Customer Operations—Responsible for ensuring the successful entry of  
21 wholesale customer orders, moves, adds and changes, as well as billing  
22 implementation and billing accuracy. This team will also be responsible for  
23 implementation and adherence to the industry standard business rules and operation

1 and maintenance of the Wisor gateway interface. In addition, it will have the  
2 responsibility of assisting the Account Teams in the day-to-day management of order  
3 activity, chronic trouble escalations, root cause analysis, tracking of performance  
4 against defined service level agreements (SLAs) and generally working with the  
5 customers to ensure satisfaction. Depending upon customer size, activity and  
6 volume, customers may have a dedicated Service Manager or, for lower volume  
7 customers, Service Managers will be shared among multiple customers.

- 8 • Business Customer Operations – This team will be responsible for the same functions  
9 as the Wholesale Customer Operations team discussed above, but will not have the  
10 industry standard business rules and Wisor interface enjoyed by the wholesale  
11 customers. This team will have separate management from the Wholesale Customer  
12 Operations team and the systems will restrict and separate access to information,  
13 ensuring no conflict between wholesale and business customers.

14 I expect that, in total, the wholesale operation will employ approximately 75-100 people,  
15 all of whom will have relevant wholesale or telecom experience. Although some of these  
16 employees will be former Verizon employees, the remainder will be among the more than  
17 675 new employees that FairPoint will hire as part of the transaction.

18 I want to emphasize that we are committed to ensuring that our wholesale customers are  
19 treated the same as our retail customers. Accordingly, our training and education  
20 processes will ensure that this remains true. At the same time, because we are providing  
21 services to companies that are competitors, we recognize that we must safeguard our  
22 wholesale customers' proprietary information so that it is not used for any impermissible

1 purpose. With that in mind, I can confirm that our systems will ensure that every  
2 wholesale customer's proprietary information remains private and is not shared outside of  
3 those who are responsible for the activities and functions related to the provision and  
4 maintenance of wholesale service to that customer.

While we have not yet developed a training program for our business and wholesale organization (which will be a core function of the leaders hired as noted above), at a minimum it will include the following components:

- 8 - business rules while operating under the TSA
- 9 - functions to be performed and escalation rules during the transition period
- 10 - product training
- 11 - tariff training
- 12 - FairPoint systems training
- 13 - business rules training from a customer perspective
- 14 - contract vehicle training
- 15 - order process and billing resolution training
- 16 - implementation management and project management training
- 17 - repair and escalation training
- 18 - federal regulatory requirements and obligations
- 19 - state-specific regulatory requirements and obligations
- 20 - Performance Assurance Plan review
- 21 - customer proprietary network information (CPNI) training

- 1 - safety training
- 2 - customer privacy rules and policies

3 **Q.** Given what you have described about the development of FairPoint's wholesale systems  
4 and wholesale organization, do you believe that FairPoint has the financial resources and  
5 the expertise that Verizon has in providing services to CLECs, such that FairPoint has the  
6 technical ability to successfully operate a wholesale market operations?

7 **A.** Yes. I have previously developed such an operation and am very confident in FairPoint's  
8 ability to do so here. As I have described above, FairPoint has made significant progress  
9 towards developing the necessary systems and has already seen and tested working  
10 versions of those systems, which are now being integrated with the rest of the OSS.  
11 FairPoint has hired personnel (including me) and selected a vendor (Wisor) with  
12 experience in wholesale operations; the additional individuals we hire will be of a similar  
13 caliber. In short, we are quite capable of developing a thorough training plan, we have a  
14 solid organizational plan and we will have the tools and the people to execute the plan.

### 15 **Services to Be Provided to CLECs**

16 **Q.** Can you provide the Commission with an update on FairPoint's discussions with the  
17 CLECs and other interconnecting parties?

18 **A.** Yes. I am in the process of meeting with each individual CLEC to discuss the needs and  
19 concerns of these valued wholesale customers. I have been conducting extensive and  
20 ongoing meetings on a going-forward basis. Michelle Hymson, AVP Wholesale

1 Services, will be devoting a large portion of her time to advance the FairPoint  
2 relationship with our wholesale customers. She will be introducing members of her team  
3 and the entire wholesale organization to the CLECs as new staff is brought on board.

4 The meetings between FairPoint and the CLECs began introductory in nature and have  
5 been progressing to include discussions designed to ensure that FairPoint understands the  
6 concerns of the CLECs related to the merger. We have taken that information, in  
7 combination with the concerns and demands filed by the CLECs as part of the several  
8 regulatory proceedings, back to the FairPoint leadership with the goal of quickly  
9 developing a plan to mitigate those concerns. For example, FairPoint has offered a  
10 systems test review process as more fully explained in the pre-filed rebuttal testimony  
11 from the panel of Mssrs. Michael Haga and Arthur Kurtze.

12 Finally, we are listening to input from the CLECs regarding the systems we are  
13 developing (as evidenced by my earlier note regarding the input from One  
14 Communications) and the manner in which we serve and support their accounts. This  
15 input is valuable as we continue to refine our organizational structure, hire personnel,  
16 design and implement training plans and develop our strategies going forward.

17 **Q.** Several parties have raised concerns regarding what services FairPoint will offer to  
18 CLECs following the merger. Please describe FairPoint's plans in that regard.

19 **A.** As we have said in testimony and in response to data requests, FairPoint will offer those  
20 services that Verizon offers today in the state pursuant to tariffs and interconnection  
21 agreements. Michael Skrivan describes in his testimony some of the additional services



1 that FairPoint has decided it will offer to CLECs, and the general terms by which we will  
2 make those services available. These services include the same services that CLECs will  
3 be receiving immediately prior to the closing under commercial agreements with  
4 Verizon, such as the Wholesale Advantage (UNE-P replacement) agreements. FairPoint  
5 will agree to provide anything that Verizon would be required to provide under the 14-  
6 point competitive “checklist” set forth in section 271(c)(2)(B) of the Federal  
7 Communications Act, pursuant to the applicable pricing standard adopted by the FCC, as  
8 Peter Nixon notes in his testimony. I understand that the recent decision by the United  
9 States Court of Appeals for the First Circuit (“First Circuit”), addressed in the pre-filed  
10 rebuttal testimony of Mr. Skrivan, provides additional guidance regarding Verizon’s  
11 obligations under the competitive checklist. I describe additional services and  
12 functionalities that FairPoint will offer to CLECs following the merger below.

13 **Q.** To sum up, are you saying that CLECs will receive all of the UNEs they are legally  
14 entitled to receive in the State of New Hampshire, following the closing?

15 **A.** Yes, and more. FairPoint is making substantial commitments in this proceeding – far  
16 beyond what it is legally required to offer, as I understand it. I believe that these  
17 commitments will add up to a complete satisfaction of all of the services and network  
18 elements that CLECs currently are receiving from Verizon. Therefore, with FairPoint  
19 operating the ILEC, CLECs should be in at least as good a position as they were with  
20 Verizon. And with the focus of my group on understanding and responding to our  
21 wholesale customers’ needs, I believe CLECs will fare even better under FairPoint.

1                   **Performance Assurance Plan, Unbundling and Pricing**

2   **Q.**    Please provide an update of FairPoint’s current policy approach to the following CLEC-  
3           related issues: i) the Performance Assurance Plan (PAP); ii) unbundling; and iii) pricing.

4   **A.**    (i) As noted by Mr. Skrivan, FairPoint will assume Verizon’s rights and obligations under  
5           the PAP in New Hampshire, and consider unifying and simplifying it going forward, if a  
6           unified PAP can be developed for all three (3) states (Maine, New Hampshire and  
7           Vermont). (ii) FairPoint will be subject to the unbundling requirements of section 251 of  
8           the Communications Act of 1934, as amended (the Communications Act), as an ILEC  
9           and will assume or replicate agreements by which Verizon provides other network  
10          facilities. Further, as I have just noted, FairPoint will provide access to network elements  
11          and inter-connection consistent with the section 271(c)(2)(B) “checklist.” (iii) With  
12          respect to pricing, FairPoint has committed to assume Verizon’s interstate retail rates for  
13          a period of twelve (12) months following the merger closing, and has no current plans to  
14          raise rates following the merger closing. (iv) FairPoint will not seek to increase existing  
15          rates under intrastate wholesale tariffs (*e.g.*, Tariff 84 in New Hampshire) above current  
16          levels for a period of twelve (12) months following the merger closing, nor will FairPoint  
17          seek to decrease the wholesale discount offered under total service resale tariffs (*e.g.*,  
18          Tariff 86 in New Hampshire) below current levels for a period of twelve (12) months  
19          following the merger closing, and FairPoint would agree not to raise for a period of  
20          eighteen (18) months following the merger closing any tariffed access charges, in each  
21          case unless FairPoint is required by law to modify such rates or discounts (for example,  
22          due to a mandated revenue-neutral rate rebalancing).

1           However, FairPoint may seek to modify its tariffs or otherwise change its pricing to  
2           respond to changes in the marketplace over time, to the extent permitted under applicable  
3           law. I believe the market will discipline FairPoint's wholesale and retail prices, and it is  
4           my intention to keep as many customers on FairPoint's network as possible by offering  
5           competitive pricing and fair terms.

6   **Q.**   Several parties have described competition as being limited in New Hampshire. Do you  
7           agree?

8   **A.**   I do not agree that competition is limited in New Hampshire. To the contrary, I believe  
9           that there is robust intramodal and intermodal competition in New Hampshire across  
10          diverse platforms—wireline voice and broadband, wireless voice and broadband, cable  
11          modem service and even satellite service. With regard to business services, there is  
12          competition on both facilities and non-facilities bases. As an example, Comcast has  
13          extensive facilities and is gearing up to enter both the residential and commercial markets  
14          across their footprint. Many customers, especially in the younger demographic, are  
15          “cutting the cord” and using wireless for their voice and data needs. Total service resale  
16          and bundling strategies also have expanded competition. And the fast-growing Voice  
17          over Internet Protocol (“VoIP”) segment of the market permits competition for basic  
18          local and long-distance voice services even as carriers like FairPoint achieve greater  
19          broadband penetration in the residential market. Furthermore, when FairPoint replaces  
20          Verizon as the ILEC in New Hampshire, Verizon will remain in the market and will  
21          actually compete with FairPoint for the provision of certain services, including  
22          competitive local exchange and intrastate toll services (focusing on enterprise customers),

1 wireless services, interstate and international toll services, and possibly other advanced  
2 services. Because customers have a variety of choices for their telecommunications  
3 services, and both wireline and wireless networks continue to expand and diversify in  
4 New Hampshire, competitive choice should not be a concern.

5 **Q.** Do you agree with Dr. Michael D. Pelcovits's assertion that the transaction is likely to  
6 impair competition because FairPoint might "fall short of fulfilling . . . the  
7 interconnection obligations now placed on Verizon" under Section 251?

8 **A.** No. As Mr. Skrivan explains, FairPoint will be subject to all of the interconnection and  
9 other pro-competitive obligations under section 251 of the Communications Act to which  
10 Verizon is currently subject. For the reasons I stated above, there is good reason to  
11 conclude that FairPoint will meet those obligations, and there is no reason to believe that  
12 FairPoint will not fulfill those obligations. Thus, FairPoint's assumption, through Telco,  
13 of the ILEC role in these markets will not have any negative effect on the competitive  
14 landscape. In addition, as discussed above, CLECs that have the benefit of commercial  
15 replacements for de-listed 251 UNEs and services (such as VISTA for line sharing and  
16 Wholesale Advantage for UNE-P) will continue to have access to them. Thus, there will  
17 be no diminution in interconnection or services under section 251, and the transaction  
18 will not impair competition in any way.

### 19 **Response to Proposed Conditions**

20 **Q.** Can you now address the conditions that the Commission Staff has proposed with respect  
21 to wholesale services?

1    **A.**    Yes. My understanding is that the consultants retained by the Commission Staff have  
2            proposed five (5) conditions. Broadly listed, the conditions are:

3            \* FairPoint must assume the PAP for all CLECs, regardless of whether referenced in the  
4            applicable interconnection agreement(s);

5            \* FairPoint must agree to an independent audit of the PAP within one (1) year after  
6            cutover, though Staff's consultants have not explained in any detail what this would  
7            entail;

8            \* FairPoint must commit to provide for a period of (5) years after the merger closing all  
9            products and services that Verizon offers regardless of whether the services stem from  
10           Verizon's status as a BOC;

11           \* FairPoint must commit not to seek for a period of five (5) years after close any change  
12           in its wholesale obligations, through forbearance or other form of regulatory waivers; and

13           \* FairPoint must involve wholesale customers in the readiness testing of its new  
14           wholesale systems.

15    **Q.**    First, can you please address the issues related to FairPoint being bound by the above  
16            conditions for a period of five (5) years.

17    **A.**    Yes. FairPoint does not believe that any of these conditions ought to be imposed for a  
18            period of five (5) years. Instead, FairPoint believes a one (1) year period is more than  
19            sufficient to protect wholesale customers, except with respect to tariffed access charges  
20            (which FairPoint would agree not to raise for a period of eighteen (18) months following

1 the merger closing). Technology changes rapidly in the telecommunications industry and  
2 market forces shift unexpectedly. FairPoint needs the freedom, after a reasonable period  
3 of time, to compete with wholesale customers as business conditions require on a  
4 reasonably prudent basis. The Commission, for example, need only look to Dr.  
5 Pelcovits's pre-filed rebuttal testimony (filed August 1, 2007) at pages 11 and 12. Dr.  
6 Pelcovits concludes that cable competition will save consumers "on the order of \$100  
7 billion" over the next five (5) years. This clearly means that the cable operators intend to  
8 compete fiercely for telephony based customers. Not even the CLEC witnesses offered  
9 such a long time frame to maintain the status quo. Consequently, FairPoint risks being  
10 left in a competitively disadvantaged position if it is not free to respond - again, after the  
11 one (1) year or eighteen (18) month "stay-out" period as previously noted - to these  
12 market forces.

13 **Q.** Does your answer imply, for example, that FairPoint intends to secure forbearance in  
14 certain wire centers in the State of New Hampshire after the expiration of this stay-out  
15 period?

16 **A.** Certainly not. As a first matter, I can not predict the future and I can not state today that  
17 FairPoint will or will not take a specific position at the end of the applicable period  
18 referenced above. FairPoint would make, in my opinion, reasonably prudent business  
19 decisions consistent with the philosophy that the wholesale business unit is important to  
20 FairPoint's success in New Hampshire and, indeed, the entire Northern New England  
21 Market. I do not want to lose CLEC business to another competitor "off network."

1 Second, I do not propose that FairPoint be granted any type of regulatory waiver in one  
2 (1) year. Instead, FairPoint believes that it ought to be free to consider necessary  
3 alternatives that may be available in the market place, subject to then existing regulatory  
4 requirements. FairPoint still needs to meet applicable evidentiary regulatory burdens at  
5 the time of filing any application; therefore, FairPoint would only file such a petition if  
6 the facts warranted it. As for the pending forbearance petition filed by Verizon with  
7 respect to the Boston MSA which includes the counties of Rockingham and Strafford, the  
8 FCC will only grant relief in those counties if neither consumers nor competitors would  
9 be harmed, and the public interest warranted it. In the event such relief is granted,  
10 FairPoint would be willing to forego the implementation of such relief for a period of one  
11 (1) year after the closing.

12 Q. What about the other conditions?

13 A. As I previously explained, FairPoint will agree to adopt the PAP for all CLECs,  
14 regardless of whether referenced in the applicable interconnection agreement(s).  
15 FairPoint will provide all products and services offered by Verizon in the State of New  
16 Hampshire as of the closing to wholesale customers on a post-closing basis – but not for  
17 five (5) years as that time frame is not reasonable. FairPoint already has agreed to  
18 involve wholesale customers in the systems readiness process (as described by Messrs.  
19 Haga and Kurtze).

20 Q. What about the independent audit of the PAP after year 1?

1    **A.**    I believe such a condition to be unusually harsh and unfair. To my knowledge, these  
2            audits are extremely time consuming, resource intensive and financially expensive.  
3            Moreover, the requirement assumes FairPoint will report incorrectly based upon the  
4            functionality of the new systems architecture even as FairPoint works with a consultant to  
5            ensure the systems work properly as proven through the test review process. I believe  
6            such a condition would be without precedent.

7    **Q.**    Several CLEC Intervenors have complained about their inability to obtain dark fiber in  
8            the State of New Hampshire. Should such an offering be required by the Commission as  
9            a condition of closing?

10   **A.**    No. As Mr. Skrivan explains, and I understand, the First Circuit has held that states may  
11            not require Verizon to make dark fiber available. FairPoint should not be required to  
12            provide this element where no legal obligation exists in the first place. In my opinion, the  
13            CLEC Intervenors requesting dark fiber, absent negotiating a reasonable commercial  
14            agreement, only seek to gain through this proceeding a benefit that they have no legal  
15            right to obtain from Verizon.

16   **Q.**    Should FairPoint compensate the owners of neighboring systems or other carriers for any  
17            cost they incur to modify their systems to interconnect with FairPoint?

18   **A.**    No. FairPoint does not agree that it should provide compensation for any such costs.  
19            As I explained above, FairPoint will provide training sessions, training materials, and a  
20            certification process to its wholesale customers at no cost; we do not anticipate providing  
21            other compensation to our wholesale customers or funding their participation in training



1 sessions. It is important to note that the costs, if any, for any modifications to  
2 interconnecting systems will be minimal. As described above in this testimony, FairPoint  
3 will utilize systems and interfaces that are industry standard. For those that utilize the  
4 electronic data interface (EDI), the interface is industry standard, so it should be easily  
5 modified. For those that interact with FairPoint's systems using the Web GUI, there will  
6 be no cost to modify the systems—making the system change will simply require visiting  
7 a different website.

8 Furthermore, there is no precedent for requiring an ILEC to compensate owners of  
9 neighboring systems for costs to modify their systems. When an existing system needs to  
10 be updated, ILECs do not compensate CLECs for modifications that they must make to  
11 interconnect to the more efficient system. Which is to say: none of these customers  
12 would be entitled to compensation were Verizon to perform the sort of updating to its  
13 existing system that is now being undertaken by FairPoint (or as undertaken by Verizon  
14 in the past).

15 The bottom line here is that FairPoint will replace the Verizon systems with improved  
16 systems, and CLECs will benefit from better service. FairPoint anticipates that the costs  
17 incurred by CLECs for this benefit will be low.

18 Mr. Ball suggests on behalf of Sovernet/Segtel that a funding mechanism should be  
19 established to cover “any costs they are required to incur to conform their existing  
20 systems and process to FairPoint's new systems, as well as to provide insurance to  
21 CLECs if any competitive damage is encountered.” Ball at 14. As stated above,

1 FairPoint will not reimburse CLECs (through establishing a funding mechanism or  
2 otherwise) for costs incurred to conform existing systems and processes to the FairPoint  
3 systems. Mr. Ball presents no evidence that CLECs will incur competitive harm due to  
4 the change in systems. Further, interconnecting parties already have remedies should  
5 they conclude they have been harmed competitively or forced to bear unreasonable costs.

6 **Q.** After the merger closing, will FairPoint continue to offer all CLEC services currently  
7 offered by Verizon, including access to 911 systems, back-office support systems,  
8 directory listings, automated directory assistance, published network specification sheets,  
9 CLEC User forum information, a CLEC handbook, offer special project account  
10 managers, & etc.?

11 **A.** Yes. FairPoint will continue to offer all CLEC services offered by Verizon immediately  
12 prior to close, including access to E911 systems, back-office support systems, directory  
13 listings, automated directory assistance, published network specification sheets, CLEC  
14 User forum information, and a CLEC handbook. FairPoint will also ensure that there are  
15 special project account managers available to serve CLECs. Although many of the  
16 services will be offered under different names than those Verizon uses, the substantive  
17 service provided will still be offered.

18 **Q.** Regarding the Performance Assurance Plan applicable to the State of New Hampshire, do  
19 you believe the PAP should be frozen and applied to FairPoint until the Commission  
20 orders a successor PAP?

1 A. As Mr. Skrivan notes, FairPoint is committed to complying with the current PAP;  
2 however, following the merger FairPoint looks forward to working with CLECs and the  
3 three (3) state boards and commissions, if all are interested, to develop a simplified,  
4 successor PAP that is uniform across the three-state region.

5 Q. Do you agree that FairPoint has a financial incentive to cutover prematurely?

6 A. No. In fact, as I understand the TSA, the monthly costs actually decrease from month  
7 nine through month twelve, thereby providing FairPoint every incentive to cutover when  
ready, and not before.

9 Q. Mr. Ball has suggested that the Commission must retain ongoing jurisdiction over  
10 FairPoint and Verizon while the TSA is in effect and during the cutover; that the  
11 Commission must retain jurisdiction over FairPoint's system after the cutover to ensure  
12 that FairPoint wholesale services, systems, processes and procedures are as at least as  
13 good as Verizon's; and that the conversion should only be allowed after FairPoint's  
14 wholesale system is audited by a third party. How do you respond?

15 A. As Mr. Skrivan notes, the Commission will be able to review FairPoint's activities  
16 following the transaction, so there is no need for such a condition. Although FairPoint  
17 does not agree that an audit by a third party is justified, FairPoint is committed to  
18 ensuring a successful cutover that will be a smooth process for its wholesale customers,  
19 and will ensure that through the steps discussed in the testimony of Mssrs. Kurtze and  
20 Haga.

1 Q. Mr. Ball has suggested that the Commission should require the “formation of a rapid  
2 response team similar to that created in Maine as part of the Maine PUC’s 271 review to  
3 immediately deal with any problems that might arise post cutover.” Is this necessary in  
4 this case?

5 A. No. FairPoint wants to have the best possible relationships with its wholesale customers  
6 and will be working hard to create a customer/vendor relationship where issues can be  
7 dealt with in a professional and expeditious manner. FairPoint fully intends to provide  
8 wholesale customers with assigned contacts, along with a detailed escalation process and  
9 will work with our wholesale customers to ensure we meet their needs. In the event we  
10 cannot resolve a particular issue to the satisfaction of customers, then we believe that the  
11 dispute resolution processes available within our tariffs and agreements are sufficient to  
12 reach a final resolution.

13 Q. Mr. Ball has further said that FairPoint should be required to adopt best competitive  
14 practices and make them uniform across New England. Mr. Ball has said that such  
15 practices would include the review and adoption of Maine and New Hampshire  
16 determinations regarding (a) wire center impairment evaluations, (b) section 271 network  
17 element availability, (c) pole attachment best practices, and (d) dark fiber best practices.

18 A. If Mr. Ball is referring to equalizing the service offering across the three states, then it is  
19 important to note that Maine and New Hampshire decisions on unbundling are unique to  
20 those markets, and the Vermont Public Service Board has already expressed its own  
21 views on that subject. Wire center impairment evaluations are inherently local in nature,

1 and cannot be performed region-wide. With respect to pole attachment issues, FairPoint  
2 will adhere to those practices employed by Verizon as of the merger closing, subject to  
3 applicable regulatory requirements and the provision of joint pole agreements.

4 **Q.** In his prefiled testimony, Dr. Pelcovits relates that FairPoint has not yet responded to an  
5 attempt by Comcast to interconnect with YCOM Networks in Washington. Can you  
6 comment on this?

7 **A.** Yes. The testimony provided by Dr. Pelcovits on this subject was premature. The  
8 Communication Act gives the parties 135 days to negotiate and reach an agreement, a  
9 period of time that would not expire until late August given the April request. I  
10 understand that Comcast and FairPoint have in fact communicated about this request and  
11 there is no reason to expect that the parties will not be able to reach an agreement within  
12 the 135-day period. Going forward, as I mentioned previously, we will have a Contract  
13 Management Team devoted to dealing with these types of requests.

14 **Q.** Dr. Pelcovits has also asserted that it is troublesome that FairPoint has not guaranteed  
15 that it will extend the existing interconnection agreement (Pelcovits at 34-35). Is such a  
16 guarantee required?

17 **A.** Extension of interconnection agreements are not required. However, as noted above,  
18 FairPoint has agreed to assume existing interconnection agreements *and* to extend them  
19 for one (1) years regardless of their term. This is a tremendous benefit to Interconnecting  
20 carriers. Interconnecting carriers will at closing be put in a significantly better position  
21 than they would have been in if the transaction had not occurred.

1 Q. Dr. Pelcovits has said that, presently, Verizon is the only provider of transit services.  
2 Accordingly, Dr. Pelcovits has said that for the transaction to be approved, FairPoint  
3 must continue to provide such services. Do you agree?

4 A. Transiting is becoming increasingly competitive in the United States, so it clearly is not a  
5 service in which the ILECs possess any unique bottleneck. In point of fact, the various  
6 interconnected companies have the ability to connect directly to one-another and  
7 therefore do not necessarily need a transit provider. Nevertheless, FairPoint will continue  
8 to provide tandem transit service to the extent required under interconnection agreements.  
9 Because FairPoint plans to continue to provide the service, no condition is required.

10 Q. Regarding trunk orders, Dr. Pelcovits has suggested that, as a condition to approval,  
11 FairPoint must adopt, at a minimum, Verizon's standard business rules and interval  
12 periods for trunk orders. Is such a condition necessary?

13 A. As I stated earlier, FairPoint plans to adopt Verizon's practices regarding physical  
14 interconnection facilities and to provide these services and connection in the same  
15 manner as does Verizon; accordingly, no such condition is required in this Docket.

16 Q. Also with respect to trunking, Dr. Pelcovits has recommended that FairPoint increase the  
17 threshold definition of "projects" for trunking purposes from 10 DS-1s to 28DS-1s. How  
18 do you respond to this recommendation?

19 A. Such a change would impact system capacity and is not appropriate at this time. Once  
20 the transition period has passed and once FairPoint has had an opportunity to operate the

1 system and to develop relationships with its wholesale customers, it will consider making  
2 changes such as this.

3 **Q.** Dr. Pelcovits has also identified as problematic the fact that FairPoint has not committed  
4 to offering mid-span meets. Can you comment on this?

5 **A.** This is another area in which FairPoint intends to, and will, offer the service in the same  
6 manner as does Verizon. Accordingly, no condition is required as part of any approval  
7 issued.

8 **Q.** Dr. Pelcovits has said that LNP is crucial to competition; therefore, he says it is important  
9 that FairPoint not inhibit existing porting practices and, as a condition of approval he  
10 suggests that FairPoint must commit to industry standards for LNP. Please comment on  
11 this point.

12 **A.** FairPoint agrees that number porting is an important part of competition. The FCC has  
13 adopted extensive regulations on local number portability, both intra-modal and inter-  
14 modal, and has issued guidance on porting requirements in a number of orders. FairPoint  
15 believes that as a good supplier of wholesale services, it must not inhibit porting;  
16 therefore, FairPoint will follow industry standards and the applicable regulations.  
17 Because FairPoint is committed to providing these services in conformance with industry  
18 standards, no condition is required as part of any approval of this transaction.

19 **Q.** Dr. Pelcovits also recommends that back office interfaces should be required to be based  
20 upon industry standards and Verizon current system specifications and should be fully

1 automated with electronic bonding in the manner in which Verizon's systems are today  
2 (Pelcovits at 50). Do you agree?

3 A. As I described earlier in my testimony, this is in fact what FairPoint is doing, so there is  
4 no need for a condition or requirement.

5 Q. Finally, Dr. Pelcovits has suggested that FairPoint should be required to offer pole  
6 attachments at the same rates, terms and conditions as Verizon currently provides. Is  
7 such a condition necessary?

8 A. FairPoint will offer pole attachments under the same rates, terms and conditions as  
9 Verizon currently provides and subject to the same rules and regulations for changing  
10 such rates, terms and conditions.

### 11 Conclusion

12 Q. Do you have anything to add to your testimony?

13 A. Yes. As I have noted throughout my testimony, FairPoint values its wholesale customers.  
14 FairPoint understands that competition is an important part of the telecommunications  
15 future, and knows that customers have a choice whether to build their own facilities or  
16 buy or lease them from another provider. FairPoint believes the wholesale business will  
17 be an increasingly important source of revenue and wants to grow those revenues by  
18 earning the loyalty of its wholesale customers. I personally have a long history on the  
19 competitive side of the industry and was involved in the early opening of the competitive



1 market in Maine, New Hampshire and Vermont through my experience with Long  
2 Distance North, TelCove, and Level 3.

3 This is, as I have said, a transaction that I have every reason to believe will be essentially  
4 seamless for our wholesale customers. FairPoint is well-positioned to develop the  
5 organization and the systems necessary to manage a wholesale operation of the size and  
6 type we will inherit from Verizon. I have previously built such a wholesale operation and  
7 I am very confident in FairPoint's ability to do so here. In my testimony I have described  
8 the significant progress that has already been made towards developing the necessary  
9 systems. To date, on a limited basis, we have already seen and tested working versions  
10 of those systems, which are now being integrated with the rest of the systems. As I have  
11 explained, FairPoint has hired persons with a great deal of experience and the additional  
12 individuals we hire will be of a similar caliber. Moreover, our plan for training our  
13 people and testing and certifying our systems will be a robust one that incorporates many  
14 checks and balances. All these factors give me confidence in our plan and in the tools  
15 and the people we have to execute the plan. I am looking forward to working with our  
16 CLEC and other wholesale customers. This is a great opportunity for FairPoint to change  
17 the relationship between the ILEC supplier and its CLEC and other customers. We  
18 intend to foster a satisfying and respectful relationship with our wholesale customers and  
19 look forward to working together to expand the benefits of a robust competitive  
20 environment in the State of New Hampshire.

21 Q. Does this conclude your testimony?

1 A. Yes. Thank you.

## **Exhibit BL-1**

### **Jeff McCarthy, Assistant Vice President, Business Services.**

Mr. McCarthy has played a critical role in bringing competitive telecommunications to Vermont. He started work as a Sales Representative for an Agent of New England Telephone in 1987, focusing on optimizing the RBOC services for small and medium businesses. As the demand for these services grew, the local Agency office was expanded and Mr. McCarthy moved to a Branch manager position, overseeing a team of sales and support professionals selling a full range of telecommunications services throughout Vermont. In 1993 Mr. McCarthy took a position as a Telecommunications Supervisor for the largest bank holding company in Vermont, where he managed a team of support professionals and project specialists whose primary goal was the expansion of secure private WAN services to support a distributed processing environment. In 1996 Mr. McCarthy took a sales position with a new facilities-based competitive access provider, and worked closely with their construction team to bring route-diverse SONET technology to Vermont businesses and public sector organizations. As the 1996 Telecommunications Act was beginning to play out, Mr. McCarthy briefly took a position with a local cellular telephone provider, where he was a Product Manager for long distance services and other associated products. Mr. McCarthy returned to the facilities-based SONET provider in 1998 as a Sales Manager following the commissioning of a 5ESS central office - providing the first true voice service alternative in Vermont. From 1998 through 2007 Mr. McCarthy led a team of sales and support professionals that quickly became, and remained, the dominant business telecommunications provider in Vermont. He is familiar with a wide range of physical infrastructures and technologies, ranging from copper based analog voice to Lambda delivered Layer 3 Internet Protocol. Mr. McCarthy is keenly aware of the role that reliable, competitive telecommunications services play in the success of businesses and public sector organizations in Vermont, and will work closely with local leadership to insure that Fairpoint Communications plays an valuable role in Vermont's telecommunications future.

## Exhibit BL-2

### **Jeffrey W. Allen, Assistant Vice President, Customer Operations**

Jeffrey W. Allen joined FairPoint in June of 2007 as Assistant Vice President Customer Operations. Before joining FairPoint, Mr. Allen spent the past 18 years as an accomplished executive in the telecommunications industry and has a wealth of experience in sales, customer care and the integration of phone companies.

His experience includes 5 years at Frontier Communications. During his tenure at Frontier, Mr. Allen held several positions that relate directly to his responsibility at FairPoint. Specifically he was the President of the New England Region based in Burlington, Vermont where he directed sales and operations, including HR, Information Systems, Marketing, Customer Service and Regulatory for the entire New England market with a focus on Vermont, New Hampshire and Maine. He also held the position of VP of Sales and Marketing for all 31 of the LEC properties Frontier owned and was President of their largest market, which was located in Rochester, NY. Jeffrey also has extensive experience in successfully integrating multiple phone companies into a single strong cohesive unit. He integrated Long Distance North, headquartered in Burlington, VT into Frontier. He accelerated revenue and profit growth while improving customer satisfaction ratings and employee retention. Mr. Allen also headed up Integrated Services, combining 5 phone companies with total revenues over \$500MM into one strong unit that led the company with the highest productivity and employee satisfaction results.

As its General Manager, Mr. Allen spent 2 ½ years starting up and running Conective Communications, a CLEC based in Delaware. During this time, Mr. Allen took this telecommunications subsidiary from 0 employees and \$0 revenue to 350 telecom professionals and a revenue run rate of \$50MM. He identified and implemented people, processes and systems that installed over 75,000 access line equivalents. His organization also provided outstanding customer care with 88% of their customers rating their experience with Conectiv Communications as very good or excellent. For these accomplishments, TRI reports rated Conectiv, one of the top 50 CLEC's in the country for 1999 and a Bell Atlantic report recognized Conectiv as the top CLEC in Bell Atlantic South.

Jeffrey has 6 children and resides with his wife in South Burlington, Vermont.

### Exhibit BL-3

#### **Michelle Rae Hymson, Assistant Vice President, Wholesales Services.**

Michelle Hymson has recently accepted the position as Assistant Vice President of Wholesale Services for FairPoint Communications Inc. This is a challenging position for which her proven track record made her uniquely qualified.

Michelle came to FairPoint from Level 3 Communications (formerly TelCove). Michelle originally joined TelCove to manage the largest carrier account, AT&T, and was called on to bring her sales excellence, business acumen and organizational talents to this rigorous assignment. As Senior Account Manager for the AT&T account Michelle consistently exceeded quota finishing 2005 at 124% putting her among the top performers company wide. This performance lead to a promotion to Director of the Federal Solutions Group and Director of the International Carrier Group managing a team of sales professionals and successfully transitioning the organizations through the Level 3 acquisition. Most recently Michelle was the Central Regional Vice President for State Government, Research and Higher Education building and managing a team over 12 states.

Prior to joining Level 3 Michelle spend ten highly successful years as a Global Account Director for AT&T with responsibility for the overall management of up to \$24 Million in revenue. Leadership and managerial skills were honed while managing the most successful account in the pharmaceutical vertical during her two years with Concert. Michelle's team was spread over 5 continents and the scope of services sold covered the full portfolio of Internet, Data and Voice services.

Michelle is a graduate of Dickinson College with a Bachelor of Arts degree in International Policy and Management Studies and a Masters degree in Policy and International Affairs from the University of Pittsburgh. She serves as a member in a number of worthy local charities. Michelle lives in the South Hills of Pittsburgh with her husband of fifteen years and their four young sons.

**Exhibit BL - 4**

**Ralph H Thompson, Director of Business Operations**

Mr. Thompson has recently accepted the position as Director of Business Operations for FairPoint Communications. He is an experienced telecommunications professional who held a variety of positions with Verizon.

Mr. Thompson started his career at New England Telephone Company where he was responsible for Sales and Service to Federal Government Accounts in Maine, New Hampshire and Vermont. During this assignment, he assumed responsibility as liaison to the White House Communications Agency in support of Presidential trips to Maine and New Hampshire.

When the consent decree was ordered by Judge Green in 1983, Mr. Thompson was promoted to Director, Strategic Planning in White Plains New York. In this role, Mr. Thompson was part of the team that formulated the business planning model for the various entities of the newly created Nynex Corporation. Upon completion of this assignment, Mr. Thompson became Branch Manager for the Small Business Market in New England for Nynex Business Information Systems.

Mr. Thompson returned to Nynex- New England as Director of Strategic Planning where he was responsible for the development of the corporate business plan. During this assignment, Mr. Thompson negotiated a settlement with the Consumer Advocate in Maine regarding business office disconnection policies. Mr. Thompson then moved on to the position of Director-Construction in the State of New Hampshire.

Nynex became the first US RBOC to purchase a stake in a foreign telephone Company, buying a 50% stake in the local telephone Company in Gibraltar. Mr. Thompson was appointed as the first CEO of this new venture and worked in Gibraltar for 3 years. During this time, Mr. Thompson led the transformation of a former Government agency with very poor service to a modern privatized company with excellent service standards.

Upon returning to the United States, Mr. Thompson held a position in the Regulatory Affairs Organization where he was responsible for managing the development of cost of service studies provided to the various New England Regulatory Commissions. His next assignment was in New York, where he was General Manager of Business assurance for the Verizon Consumer Markets Organization. In his most recent position for Verizon, Mr. Thompson managed the Northeast Region for Verizon Public Communications.

Mr. Thompson has 3 children and resides with his wife in York Beach, Maine. He is active as a fundraiser in his community and at the Hyde School in Bath. Mr. Thompson is a hospice volunteer and serves on the Board of Directors for the Hospice of York.

**Rich Murtha, Director of Wholesale Customer Operations**

Rich Murtha has agreed to join FairPoint Communications on September 4, 2007 as the Director of Customer Operations – Wholesale. Mr. Murtha has spent the past 13 years leading wholesale customer operation organizations at Verizon with great success.

His experience includes several management roles of increased responsibility with Verizon in the wholesale customer operation's field. He most recently was the Director of Wholesale Operations with Verizon overseeing 440 employees and a \$28 million expense budget. He led a team that experienced a 90% decrease in metric penalties, 70% improvement in order production, 55% improvement in average answer speed in his centers, 40% reduction in online errors and an 18% reduction in billing errors. Rich is a Six Sigma professional with ISO 9000 and TL9000 certifications. He was awarded the California Governors Quality Silver Award in 2006 -2007 and held a Top Secret Security Clearance while serving in the US Marine Corps.

**Exhibit BL – 6**

**Timothy S. Burns, Director Business Customer Operations**

Timothy S. Burns has agreed to join FairPoint Communication on September 4, 2007 as the Director of Customer Operations – Business. Mr. Burns has spent the past 22 years leading sales and service organizations within the telecommunications industry.

His experience includes 5 years as the Vice President and General Manager for Intellispace, Inc. In this role, Tim was responsible for sales, customer service and the profitability for Intellispace's New England markets. Prior to Intellispace, Tim spent 15 years with Verizon. He held various positions of increased responsibility including supervising and managing the customer support center and service managers in New England for 10 years. During his tenure, he improved customer service ratings to 81% Outstanding/Very Good, while significantly increasing revenues. He was also chosen as one of three employees to lead "re-invention" training to over 250 employees located throughout New England.



**Exhibit BL - 7**

**James F. Quinn, Jr., Sales Director for Independent Telephone Companies, Wireless Providers and Cable Companies**

James has over 30 years of management experience with Verizon. His expertise in managing key customer accounts, consultative selling strategies, trend/competitive analysis, and strategic product positioning are central to the value that he can offer. Prior to his retirement in 2006 Jim was the Verizon Sales Manager, Wholesale Services and managed 40 key customers with revenues of \$338M annually. Jim also held the role of Nationwide Subject Matter Expert for all Independent Telephone Company issues. Jim's leadership skills and business acumen were developed through prior roles including Account Manager, ITC/CLEC, and Staff Director, Finance & Control.

Jim holds a M.Ed., in Business Education from Boston State College, Boston, MA and a BSBA from Northeastern University in Boston, MA.

Jim is also a Member, Board of Directors, for Telephone Association of New England (TANE), Telephone Association of Maine (TAM), New Hampshire Telephone Association (NHTA), Telephone Association of Vermont (TAV) and a member, Network Services & Technology Committee (NSAT).

**Exhibit BL-8**

**Alvin R. Barry, Senior Account Manager for Independent Telephone Companies**

Alvin Barry's most recent professional experience was as an Account Manager for Verizon, prior to his retirement in 2006. Al was responsible for managing Verizon's relationships with the forty Independent Telephone Companies in New England representing over 10 million dollars of annual revenue. Over his last two years, Al increased the Data Services revenue by over 20%. Al has a proven track record in providing, sales and technical solutions to the New England ITC customer segment and has consistently outperformed all sales, customer service and expense goals.

Al was prepared for success as a sales professional and brought a high level of credibility to the position from his experience as a Network Account Manager, Staff Manager and Central Office Supervisor.

Al is a graduate of Northeastern University where earned a BS in Marketing/Management.



TenStep Eastern New England  
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## *BIOGRAPHY*

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### **David Lendry, PMP**

David Lendry is a graduate-degreed Project Management Professional (PMP) with over 20 years of progressive experience in program and project management, project portfolio management from inception to deployment, leadership, team building, financial and administrative aspects of business, telecommunications, information technology systems, and international business. He is recognized as a subject matter expert in Project Management and Portfolio Management speaking at multiple industry forums. As a Director of the TenStep Project Solutions Group of KENROB IT Solutions, Mr. Lendry oversees all Project Management (PM)-related operations for all customer contracts. This includes:

- Working with customers' senior management to develop strategic objectives for overall PM deployment.
- Identifying PMBOK®, ITIL and CMMI-based approaches to tailor PM methodologies to customers' needs.
- Providing guidance and direction for the implementation of PMOs and PM practices for Federal & State Government Agencies and commercial customers.
- Developing tailored PM tool solutions for customers, based on TenStep's methodologies.
- Integrating TenStep within various Enterprise Project Management Tools including Oracle and Microsoft
- As a former PMO Director:
  - Managed multiple, top-priority, high-risk IT programs and project portfolios.
  - Partnered with business units, customers, vendors and internal systems groups to bring projects toward successful completion.
  - Developed a business process improvement team to better deliver services to meet the customer's program requirements.

David possesses a rare ability to mesh implementation of PM practices with common-sense tool deployment. He is exceptionally well versed in using PM tools simply and efficiently, and remains current with emerging technology. He is expert at leading organizational change efforts, coaching and motivating individuals, and developing high performing teams.

David has an extensive background in telecommunications starting with the CATV industry in the early 1980's, to operations, engineering, and project manager for Fortune 500 companies.

In addition to the PMP certification from the Project Management Institute, Mr. Lendry has a Masters in Business Administration (MBA) from Southern New Hampshire University. Mr. Lendry has taught graduate level courses at Boston University in Project Management, Structure and Strategy of the Telecommunications Industry, Organizational Change, Management and Leadership, and Services Marketing.

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**John Berard**

John Berard began his telecom career in 1986 when he joined New England Telephone as a Real Estate Engineer managing 5 X-bar to ESS building conversions in ME, NH, VT, MA and RI. After five years of managing Mechanical/Electrical conversions, John went to BellCore where worked on ILN and SONET operational projects.

John returned to New England Telephone in the mid 90's as a Staff Director and worked in IOF Network Planning and also Outside Plant Engineering and Construction. In 2000, John was hired as a Director with Covad Communications, the nations largest CLEC and DSL provider. At Covad, he managed 500 employees in the Covad Wholesale Customer Operations Provisioning and Repair Center. Most recently, John managed the operations relationship between Covad and Verizon, ATAT, Quest and Embarq.

While at Covad, John took leadership positions in the CLEC community and served as Chairman of the ATT region CLEC User Forum.

**Paul Michalko**

Paul Michalko is a 1977 graduate of Brown University with a BA in Sociology. He has over 20 years of experience in sales and sales management in the technology and telecommunications fields with companies such as IBM, MCI, Frontier, Intermedia and Mpower Communications. He has extensive experience in the Alternate Channel Sector having led sales organizations both in New York and New England. Paul is married with two children currently attending college in New York.