

# McLane, Graf, Raulerson & Middleton

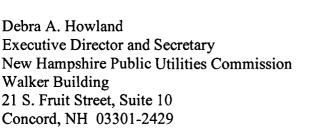
**Professional Association** 

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June 18, 2007

Via Hand Delivery





OFFICES IN: MANCHESTER CONCORD PORTSMOUTH

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

Dear Ms. Howland:

Enclosed for filing with the Commission are an original and six copies of Verizon New England Inc., et al.'s Objection to OCA's Second Motion to Compel Verizon's Responses to Data Requests. An electronic copy of the filing will be provided to the PUC librarian and the parties.

Thank you for your assistance with this matter.

Very truly yours,

Sarah B. Knowlton

SBK:ksm Enclosures

cc: Service List (by electronic mail) Librarian (by electronic mail)

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

Verizon New England Inc., Bell Atlantic Communications, Inc., NYNEX Long Distance Company, Verizon Select Services Inc. and FairPoint Communications, Inc.

Docket No. DT 07-011

## VERIZON NEW ENGLAND INC. ET AL.'S OBJECTION TO OFFICE OF CONSUMER ADVOCATE'S SECOND MOTION TO COMPEL VERIZON'S RESPONSES TO DATA REQUESTS

Verizon New England Inc., Bell Atlantic Communications, Inc., NYNEX Long Distance Company, and Verizon Select Services Inc. ("Verizon") submit this objection to the Office of Consumer Advocate's ("OCA") Second Motion to Compel Verizon's Responses to Data Requests (the "Motion"). In support hereof, Verizon states as follows:

1. Notwithstanding the long recitation in OCA's Motion of the history of discovery in this docket, this discovery dispute relates to one data request in this proceeding. That data request, OCA 1-5, requests "a complete copy of Verizon's business plan for the years 2004, 2005, 2006, 2007 and 2008." Verizon objected to this request on the basis that it was unduly burdensome because it sought information on companies other than Verizon NH, and because it sought highly confidential information that is not relevant or likely to lead to the admission of relevant information.

2. OCA moved to compel the response on April 20, 2007, and subsequently agreed to narrow its request regarding OCA 1-5 to documents "since 2004 and NH only." *See* OCA Resolution for Verizon, attached as Exhibit A. As OCA acknowledges in its Motion, "Verizon agreed to provide business plans related to Verizon NH only, to the extent they exist, and on the

condition that the OCA withdrew [sic] its request for Verizon corporate plans." OCA Motion at ¶ 28. In accordance with its agreement with OCA, Verizon subsequently undertook a further review and responded in good faith that "Business plans responsive to the request that pertain to New Hampshire operations do not exist and thus are not available."

3. Now unhappy with the deal it struck and Verizon's answer that it does not have any business plans that pertain to New Hampshire – whether or not specific to or generated by Verizon NH or otherwise - OCA asks the Commission to force Verizon to produce business plans that fall well outside the scope of the agreed upon request. Tellingly, OCA's Motion states that "We *now* seek Verizon's *complete* business plans." OCA Motion at ¶ 32 (emphasis added).

4. The Commission should deny OCA's Motion because it seeks to compel confidential information of the highest order that is wholly irrelevant to this proceeding. OCA's new request would encompass business plans of Verizon Communications Inc., a company not subject to the Commission's jurisdiction. Further, as Verizon has informed OCA repeatedly, such business plans do not contain any information specific to the assets at issue in this investigation, i.e., the relevant New Hampshire operations of the Verizon parties in this docket. Yet OCA, in an unending fishing expedition, claims that it should have the right to review such a plan "because it likely discusses the overarching business priorities of Verizon NH's corporate parent, which in the absence of a New Hampshire-specific business plan (or plans), directs operations and investment in the state." OCA Motion at ¶ 32.

5. While OCA does have the right to conduct discovery on matters relevant to whether the transaction with FairPoint will result in no net harm or will be for the public good, it does not have the right to put on trial the business plans of Verizon NH's corporate parent. OCA can and has sought discovery on specific questions relevant to this proceeding such as Verizon's

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investment, strategic, marketing and business decisions with respect to the assets at issue in the proposed transaction. However, OCA is not legally entitled to compel discovery and analyze the business plans of companies not subject to the jurisdictional review of this transaction and whose operations are outside of New Hampshire. For example, OCA would have the Commission compel the production of business plans that focus on Verizon's wireline and wireless operations at the national and international level. OCA's sweeping conclusions that such plans necessarily dictate operations in New Hampshire are misguided, and frankly, false.

6. OCA claims that Verizon misunderstands or misapplies its role in the discovery process. Verizon's sole obligation is to review discovery requests and make a good faith determination of whether it has responsive documents. Verizon has done that here – it has reviewed its files and determined that there are no business plans responsive to the request that pertain to the New Hampshire operations at issue in this investigation. OCA's unwillingness to accept the result of that process does not mean that it is entitled to revise and broaden its discovery requests – which it has – or go on a boundless expedition in which it seeks to review documents that bear no relation to the proceeding before the Commission. The Commission should deny OCA's request for such limitless discovery.

7. Verizon NH understands that no other party or agency in Maine, New Hampshire or Vermont that is investigating this transaction has requested or received Verizon Communications business plans in the course of discovery, underscoring its complete irrelevance to the investigations. OCA should not to be permitted to do so in New Hampshire.

8. Finally, OCA's Motion goes on at great length about OCA data requests 1-11, 1-113 and 1-114. However, OCA has not sought to compel responses to those requests, but rather

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seeks to reserve the right to do so later. Verizon believes that any issues regarding such requests are now moot based on information to be produced to OCA by agreement.

9. For these reasons, the Commission should deny OCA's Second Motion to Compel

in its entirety and because OCA has not met its legal burden of proof.

WHEREFORE, Verizon respectfully requests that the Commission:

- A. Deny OCA's Second Motion to Compel; and
- B. Grant such other and further relief as the Commission deems necessary

and just.

Respectfully submitted,

VERIZON NEW ENGLAND INC. BELL ATLANTIC COMMUNICATIONS, INC. NYNEX LONG DISTANCE COMPANY VERIZON SELECT SERVICES INC.

By their Attorneys,

McLANE, GRAF, RAULERSON & MIDDLETON, PROFESSIONAL ASSOCIATION

Date: June 18, 2007

By: Steven V. Camerino

Sarah B. Knowlton 15 North Main Street Concord, New Hampshire 03301 Telephone (603) 226-0400

Victor D. Del Vecchio, Esquire Verizon New England Inc. d/b/a Verizon New Hampshire 185 Franklin Street Boston, MA 02110-1585

# Certificate of Service

I hereby certify that on June 18, 2007, a copy of this Objection to OCA's Motion to Compel has been forwarded to the parties listed on the Commission's service list in this docket.

25 Mula & Sarah B. Knowlton

Exhibit A

"Hatfield, Meredith" <Meredith.Hatfield@puc.nh.gov>

05/11/2007 03:40 PM

\*Frederick J. Coolbroth\* <fcoolbroth@devinemillimet.com>, Victor Del To Vecchio/EMPL/MA/Verizon@VZNotes, scott.j.rubin@gmail.com

CC \*Hollenberg, Rorie" <Rorie.Hollenberg@puc.nh.gov> Subject Final group 1 agreement

Hi all -

Attached is the final version of our group 1 agreement. I accepted the redlines from us, Victor and Fred per our conversations. Thanks, Meredith

Meredith A. Hatfield Office of Consumer Advocate 21 S. Fruit Street Concord, NH 03301 603-271-1174 meredith.hatfield@puc.nh.gov

### I. <u>Resolution for FairPoint</u>:

#### OCA Motion to Compel:

### 1. Hart Scott Rodino ("HSR") Filing:

Subject to and without waiving its objections, FairPoint will provide the HSR Section 4(c) materials in response to OCA 1-8 on a highly confidential basis to the OCA, the OCA's consultants, the NHPUC Staff and the NHPUC Staff's Consultants. OCA reserves the right to ask follow-up requests, and FairPoint reserves its right to object.

2. Questions for which HSR materials may be responsive:

In light of the production of the HSR materials, the OCA will not seek a ruling on its motion to compel at this time with respect to the following items:

1-13, 1-14, 1-16, 1-17, 1-18, 1-19, 1-20, 1-21, 1-22, 1-23, 1-24, 1-25, 1-26, 1-27 and 1-30.

The OCA reserves its right to request a ruling on its motion to compel with respect to these data requests to the extent that the OCA continues to believe that answers are necessary following review of the HSR materials. The OCA also reserves its right to propound follow-up requests, and FairPoint reserves its right to object.

3. Subject to and without waiving its objections, FairPoint will provide answers to: 1-4, 1-28 and 1-34. Pending review of the response, OCA reserves the right to seek to compel a further response. The OCA also reserves its rights to ask follow-up data requests, and FairPoint reserves its right to object.

4. Questions related to FairPoint's financial model:

FairPoint is providing some materials responsive to OCA 1-114 and 1-115, or in response to Staff data requests. The OCA reserves its rights to request a ruling on its motion to compel with respect to these data request to the extent that the responses provided do not provide responsive information. The OCA also reserves its rights to propound follow-up data requests, and FairPoint reserves its rights to object.

#### Labor Motion to Compel:

FairPoint will provide the HSR Section 4(c) materials to counsel for the Labor Intervenors, for attorneys' eyes only. The Labor Intervenors reserve the right to seek disclosure to specified outside consultants for the Labor Intervenors in this Docket who are not involved in collective bargaining for the unions, and FairPoint reserves its right to object.

### II. <u>Resolution for Verizon</u>:

#### OCA Motion to Compel:

1. Subject to and without waiving its objections, VZ will provide the HSR Section 4(c) materials, in response to OCA 1-6, on a highly confidential basis to the OCA, the OCA's consultants, the NHPUC Staff and the NHPUC Staff's Consultants. This is subject to the further proviso that the VZ HSR material will first be redacted to exclude references to matters extraneous to the proposed transfer of VZ assets in NH, as was done to the materials submitted to the ME Hearing Examiner.

2. Questions for which HSR materials may be responsive:

In light of the production of the HSR materials, the OCA will not press its motion to compel with respect to the following items:

1-9, 1-10, 1-11, 1-12, 1-13, 1-14, 1-15, 1-18, 1-26, 1-113 and 1-114. (The OCA also agrees to withdraw its objection to 1-4, which is unrelated to HSR.)

The OCA reserves its right to request a ruling on its motion to compel with respect to these data requests to the extent that the OCA continues to believe that answers are necessary following review of the HSR materials. The OCA reserves the right to ask specific follow-up requests, and VZ reserves its right to object.

3. To the extent available and subject to and without waiving its objections, VZ will provide answers to:

1-5 (since 2004 and NH only), 1-16, 1-22 (current and NH only), 1-54, 1-98, 1-100 (NH only), 1-101 (2005-2006 and NH only), 1-107, 1-109 and 1-110.

Pending review of a response, OCA reserves the right to seek to compel a further response. The OCA also reserves its rights to ask follow-up questions, and VZ reserves its right to object.

#### Labor Motion to Compel:

VZ will provide the HSR Section 4(c) materials to counsel for the Labor Intervenors, for attorneys' eyes only. The Labor Intervenors reserve the right to seek disclosure to specified outside consultants for the Labor Intervenors in this Docket who are not involved in collective bargaining for the unions, and VZ reserves its right to object.