



Verizon New England Inc.
d/b/a Verizon

State of New Hampshire

Docket No. DT 07-011

Respondent: Stephen E. Smith
Title: Vice President – Business
Development

REQUEST: New England Cable and Telecommunications Association, Inc. and
Comcast Phone of New Hampshire, Group I, Set #1

DATED: April 6, 2007

ITEM: If such pole and conduit assets and liabilities will be transferred, please
NECTA/CPNH, explain whether and how deferred tax reserves associated with such
GI 1-3 conduit and pole investment will be transferred by Verizon to FairPoint
(i.e., as part of an overall transfer of deferred tax reserves associated with
all transferred assets). Provide illustrative calculations using most recent
end of year Verizon accounting data.

REPLY: The deferred tax balances associated with pole and conduit assets will be
transferred as part of the overall transfer of deferred tax balances
associated with the transferred assets.

For illustrative purposes, the deferred tax balances for pole and conduit
assets would be included in the following Verizon New England Inc.
Balance Sheet accounts as of December 31, 2006.

43401100 Non-Current Def. Property Fed. Primary	1,011,479,380
43401200 Non-Current Def. Property Fed. Second.	(59,454,248)
43402100 Non-Current Def. Property State	169,869,315

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