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December 22, 2009

Debra Howland
Executive Director & Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH MD 03301-2429

Re: Docket No. DT 08-028 (Joint Petition of Hollis Telephone Company, Inc. et al).

Dear Ms. Howland,

This responds to the motion of the RLEC intervenors to strike Global's letter offering a $6,000 bond and the accompanying affidavit of David Shaw attesting that the application of an industry rate of $0.00045 to Global's average minutes sent to the affected group would amount to $6,000 over a six month period.

The asserted grounds for the motion are first, that any bond should be in the full amount of "the judgment"; and second, that the Shaw affidavit does not prove that $0.00045 is a standard industry rate.

The first point is not correct because the "judgment," being under reconsideration and not yet having been confirmed in federal court under 47 U.S.C.§ 252(e)(6) review is really not a "final judgment." Even the order setting the $600,000 figure acknowledged uncertainty about how much of the tariffed traffic was federal and how much was state, a point of considerable relevance since the state agencies have no jurisdiction to assess carriers for non-payment of federal tariff charges.

The second point is also not correct, because the bond amount Global offered is appropriate under the "hold harmless" standard, where the idea is to ensure that the party who is being forced to continue to terminate traffic during further litigation or negotiation is having its out-of-pocket costs covered.

As to the RLECs' contention that Global failed to prove that $0.00045 is the industry rate, Mr. Shaw never contends in his affidavit that he is the source for the $0.00045 figure, but only that he applied that figure to Global's average monthly traffic to the group, a fact which he does know and which is not challenged in the RLECs' motion. Global had already submitted to this Commission as Exhibit F to its Motion to Reconsider the sworn testimony of Mr. Munsell of Verizon, in the recent MetTel trial, in which he attests that $0.00045 is the unitary rate used by Verizon in contracts with VoIP carriers.

It happens that Mr. Munsell did not list Verizon's contract partners in his MetTel testimony, though Verizon did give such a list in an interrogatory answer in the *Palmerton* case in Pennsylvania. In any event, such contracts are public. We enclose the key clause in the largest contract, between Verizon and AT&T. Since Verizon and AT&T are the two Gloliaths of the industry, it must be the case that such rate is being applied to the overwhelming majority of VoIP traffic in the United States. Since Fairpoint took over the Verizon contracts, it seems highly likely that the Verizon rates are available from FairPoint throughout New England. As we noted, since the unitary rate is contained in filed, approved interconnection agreements of incumbent local exchange carriers, it is required by federal law to be a rate that covers all costs and is just and reasonable.

For all the above reasons, the motion to strike should be denied.

Sincerely yours,

Joel Davidow

Joel Davidow

SMG:bas
Enclosure
cc: Electronic Service List

AMENDMENT

to

INTERCONNECTION AGREEMENTS

THIS AMENDMENT (this "Amendment"), effective as of August 1, 2006 (the "Effective Date")(the terms of which originally were effective as of November 1, 2004), amends each of the Interconnection Agreements (the "Interconnection Agreements") by and between each of the Verizon incumbent local exchange carrier ("ILEC") affiliates (individually and collectively "Verizon" or the "Verizon Parties") and each of the AT&T wireline competitive local exchange carrier ("CLEC") affiliates (individually and collectively "AT&T" or the "AT&T Parties"; Verizon and AT&T are referred to herein individually as a "Party" and collectively as the "Parties"), but only to the extent the Interconnection Agreements referenced directly below were not already amended to address the same intercarrier compensation (including, without limitation, reciprocal compensation), interconnection architecture and related matters set forth herein. Attachment 1 hereto lists, to the best of the Parties' knowledge, the Interconnection Agreements in effect as of the Effective Date (the original listing having been of Interconnection Agreements in effect as of November 1, 2004). For the avoidance of any doubt, this Amendment shall also amend each new Interconnection Agreement or adoption in any Verizon ILEC service area in which the Parties did not have an Interconnection Agreement prior to August 1, 2006, provided that in such instances the "Effective Date" of this Amendment shall be the date on which such Interconnection Agreement or adoption becomes effective. The term "affiliates," as used in this Amendment, shall have the same meaning as under Rule 405 of the Rules promulgated pursuant to the Securities Act of 1933, as amended.

WITNESSETH:

WHEREAS, Verizon and AT&T are Parties to Interconnection Agreements under Sections 251 and 252 of the Act.

WHEREAS, the Parties wish to amend the Interconnection Agreements to reflect their agreements on certain intercarrier compensation (including, without limitation, reciprocal compensation), interconnection architecture and related matters, as set forth in Attachment 2 hereto.

NOW, THEREFORE, in consideration of the above recitals and the mutual promises and agreements set forth below, the receipt and sufficiency of which are expressly acknowledged, each of the Parties, on its own behalf and on behalf of its respective successors and assigns, hereby agrees as follows:

originated by, or terminated to, a third party service provider, provided, however, that, in determining responsibility for access charges (if any) associated with VOIP Traffic pursuant to this Amendment, each Party reserves the right to maintain that such access charges are the responsibility of such third party service provider.

(m) "Wire Center" means a building or portion thereof that serves as the premises for one or more End Office switches and related facilities.

2. <u>Conditions Precedent To Applicability of Rates.</u>

(a) In order for the terms set forth in Sections 3 and 4 below to take effect, the following conditions precedent must be satisfied as of November 1, 2004 (i.e., as of the effective date of the like amendment to the predecessor Interconnection Agreement between the Parties in New York) (or, in the case of another carrier adopting any of the Interconnection Agreements, as of the effective date of any such adoption and with respect to such carrier and all of its CLEC affiliates): (i) AT&T shall be in compliance with the terms of Section 8 below regarding interconnection architecture; (ii) there shall be no outstanding billing disputes between the Parties with respect to reciprocal compensation or other intercarrier compensation charges by either Party for Local Traffic, ISP-Bound Traffic or VOIP Traffic; and (iii) the Aggregated Traffic Ratio (as defined in Section 3 below) for the last full calendar quarter prior to November 1, 2004 (or, in the case of another carrier adopting any of the Interconnection Agreements, for the last full calendar quarter prior to the effective date of any such adoption) shall be no greater than five (5) to one (1).

(b) If AT&T had failed to satisfy any of the conditions precedent set forth in Section 2(a) above as of November 1, 2004 (or in the case of another carrier adopting any of the Interconnection Agreements, as of the effective date of any such adoption), then compensation for ISP-Bound Traffic and Local Traffic exchanged between the Parties would have been (or in the case of another carrier adopting any of the Interconnection Agreements, shall be) governed by the following terms: (i) ISP-Bound Traffic shall be subject to "bill and keep" (i.e., zero compensation); and (ii) Verizon's then-prevailing reciprocal compensation rates in each particular service territory (as set forth in Verizon's standard price schedules, as amended) shall apply to Local Traffic exchanged between the Parties. For purposes of the preceding sentence only, all Local Traffic and ISP-Bound Traffic above a 3:1 ratio exchanged between the Parties under an Interconnection Agreement shall be considered to be ISP-Bound Traffic (except in Massachusetts, where a 2:1 ratio, instead of a 3:1 ratio, shall apply).

3. <u>Unitary Rate for ISP-Bound Traffic and Local Traffic.</u>

(a) Except as otherwise set forth in Sections 4, 5 or 6, commencing on the Effective Date, and continuing prospectively for the applicable time periods described below (the "Amendment Term"), when ISP-Bound Traffic or Local Traffic is originated by a Party's End User on that Party's network (the "Originating Party") and delivered to the other Party (the

"Receiving Party") for delivery to an End User of the Receiving Party, the Receiving Party shall bill and the Originating Party shall pay intercarrier compensation at the following equal, symmetrical rates (individually and collectively, the "Unitary Rate"):

- $.0004 per MOU for traffic exchanged beginning on the Effective Date and ending on December 31, 2006 (or ending on a later date if and, to the extent that, this Amendment remains in effect (as set forth in Sections 9 and 10 below) after December 31, 2006);

provided, however, that if for any calendar quarter during the Amendment Term the ratio of MOUs, calculated on an aggregated basis across all jurisdictions, of (i) all traffic subject to the Unitary Rate under this Amendment that is originated on the networks of the Verizon Parties and delivered to the AT&T Parties, to (ii) all traffic subject to the Unitary Rate under this Amendment that is originated on the networks of the AT&T Parties and delivered to the Verizon Parties (the "Aggregated Traffic Ratio"), is greater than five (5) to one (1), then the Unitary Rate applicable to all such traffic above a five (5) to one (1) Aggregated Traffic Ratio shall be zero (i.e., "bill and keep"), and the then-applicable Unitary Rate shall continue to apply to all such traffic up to and including a five (5) to one (1) Aggregated Traffic Ratio. In addition, for the avoidance of doubt, for the purpose of calculating the Aggregated Traffic Ratio, "traffic subject to the Unitary Rate under this Amendment" shall also include VOIP Traffic until such time (if any) as the FCC issues the FCC VOIP Order referred to in Section 5(b) and rules that access charges apply to VOIP Traffic.

(b) Notwithstanding subsection (a) above: (i) for those geographic areas that, as of November 1, 2004, are subject to an Interconnection Agreement between the Parties providing that Local Traffic (or the definitional equivalent thereto) within such geographic areas is to be exchanged on a "bill & keep" basis, the Unitary Rate for purposes of this Amendment shall be deemed to be zero ($0.00) for the duration of the Amendment Term; and (ii) for those geographic areas that, as of November 1, 2004, are not subject to existing Interconnection Agreements between the Parties, the Unitary Rate for purposes of this Amendment shall be deemed to be zero ($0.00) for the duration of the Amendment Term.

(c) Notwithstanding subsection (a) above, the Parties are unable to agree, for purposes of creating a uniform rating methodology under this Amendment, whether V/FX Traffic that is not ISP-Bound Traffic should be treated like toll traffic that is subject to switched access charges, like Local Traffic subject to the Unitary Rate, or in some other manner. Therefore, the Parties agree that V/FX Traffic that is not ISP-Bound Traffic shall continue to be governed by the treatment accorded such traffic under the terms of the existing Interconnection Agreements between the Parties as in effect prior to this Amendment; provided, however, to the extent such Interconnection Agreements subject V/FX Traffic that is not ISP-Bound Traffic to reciprocal compensation, such traffic shall instead be subject to the Unitary Rate as set forth in this Amendment. Notwithstanding the foregoing terms of this subsection, V/FX Traffic that is VOIP Traffic will be governed by the applicable provisions of Section 5.

State of New Hampshire
Before the New Hampshire Public Utilities Commission

DT 08-028

Joint Petition of Hollis Telephone Company, Inc., Kearsarge Telephone Company, Merrimack County Telephone Company, and Wilton Telephone Company, Inc., for Authority to Block the Termination of Traffic from Global NAPs, Inc. to Exchanges of the Joint Petitioners in the Public Switched Telephone Network

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