

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1431

In the Matter of)	CROSS EXAMINATION
)	STATEMENT OF THE CITIZENS'
)	UTILITY BOARD OF OREGON
Verizon Communications, Inc., and Frontier)	
Communications Corporation)	
)	
Joint Application for an Order Declining to)	
Assert Jurisdiction, or, in the Alternative, to)	
Approve the Indirect Transfer of Control of)	
Verizon Northwest, Inc.)	

The Oregon Citizens' Utility Board (CUB) intends to Cross-examine the following witnesses who have offered testimony on behalf of Verizon Communication, Inc. (Verizon) and Frontier Communications Corporation (Frontier). The estimated length of cross examination for each witness is listed following each person's name and title. CUB anticipates that some of its question areas will likely be covered by other questioners and that if anything the time required for CUB to complete cross-examination will be less than the proposed times listed in this Cross Examination Statement. The areas of the witnesses' testimony about which CUB intends to cross-examine the witnesses are listed below the witnesses' names. The areas listed are based upon Verizon and Frontier's description of the contents of each of their witnesses' testimony:

- I. Daniel McCarthy, Executive Vice President Frontier (1 hour)
 - a. Direct Testimony

1. Frontier's experience and how it relates to this transaction.
 2. Frontier's financial soundness.
 3. The "in the public interest, no harm" standard as it applies to this transaction.
 4. The proposed organizational structure of Frontier after this transaction.
- b. Rebuttal Testimony
1. Frontier's contention that this transaction will result in no harm and is in the public interest.
 2. Frontier's contention that it is a sound company committed to rural markets.
 3. Frontier's plan to make new investments in Broadband.
 4. Frontier's transactional skill set.
 5. Whether Synergies are achievable but not necessary as stated by the company.
 6. Whether customers will be adversely affected by this transaction.
 7. FIOS plans and how they may affect regulated portions of transaction.

II. Timothy McCallion, President Western Region Verizon (45 minutes)

- a. Direct Testimony
1. Verizon's motivation.
 2. Effect of transaction on Residential customers.
 3. Transition of Verizon's systems to Frontier.
- b. Rebuttal Testimony
1. Replication of Verizon systems.


2. Frontier's financial ability to handle new company.
 3. Frontier's ability to provide service.
 4. FIOS transition.
- III. Joel F. Jeanson, Director of Utility Practice Huron Consulting Group (30 minutes)
- a. Frontier's financial model.
 - b. Stress testing the financial model.
- IV. David Whitehouse, Senior Vice-President and Treasurer, Frontier (1 hour)
- a. Frontier's soundness before transaction and increased strength after.
 - b. Non-consolidation option and/or limits on dividends.
 - c. Ring Fencing.
- V. Kim L. Czak, Assistant Vice-President for Carrier Services, Frontier (15 minutes)
- a. Frontier will have the same operating system.
- VI. F. Wayne Lafferty, Director in Utility Consulting Practice, Huron (30 minutes)
- a. Comparing this transaction with the Fairpoint transaction.
- VII. Stephen Edward Smith, Vice-President Business Development, Verizon (30 minutes)
- a. Verizon's creation and operation of a standalone operating region within Verizon (the "North Central Area") which includes the operations of Verizon Northwest.
 - b. System replication and transition.

c. Proposed system related conditions.

In addition, CUB reserves the right to ask follow up questions of other witnesses if pertinent issues arise.

Dated this 25th Day of November, 2009
Respectfully submitted,

Respectfully submitted,



G. Catriona McCracken
Staff Attorney
The Citizens' Utility Board of Oregon
610 SW Broadway, Ste. 308
Portland, OR 97205
(503)227-1984
Catriona@oregoncub.org

UM 1431 – CERTIFICATE OF SERVICE

I hereby certify that, on this 25th day of November, 2009, I served the foregoing **CROSS EXAMINATION STATEMENT OF THE CITIZEN’S UTILITY BOARD** for DOCKET UM 1431 upon the PUC Service List by email and, where paper service is not waived, by U.S. mail, postage prepaid, and upon the Commission by email and by sending 2 copies by U.S. mail, postage prepaid, to the Commission’s Salem offices.

(W denotes waiver of paper service)

(C denotes service of Confidential material authorized)

(HC) DEPARTMENT OF JUSTICE
(C) MICHAEL T. WEIRICH
ASSISTANT ATTORNEY GENERAL
RUBS
1162 COURT ST NE
SALEM OR 97301-4096
michael.weirich@state.or.us

(HC) PUBLIC UTILITY
(C) COMMISSION
MICHAEL DOUGHERTY
PO BOX 2148
SALEM OR 97308-2148
michael.dougherty@state.or.us

(W) FRONTIER COMMUNICATIONS
C OF AMERICA, INC.
HC KEVIN L SAVILLE
ATTORNEY AT LAW
2378 WILSHIRE BLVD
MOUND, MN 55364
kevin.saville@frontiercorp.com

C CHARLES L. BEST
HC ATTORNEY AT LAW
1631 NE BROADWAY # 538
PORTLAND OR 97232-1425
chuck@charleslbest.com

VERIZON NORTHWEST INC
EUGENE M ENG
VICE PRESIDENT – LEGISLATIVE
AND REGULATORY AFFAIRS
20575 NW VON NEUMANN DR
STE 150 MC OR030156
HILLSBORO, OR 97006
eugene.eng@verizon.com

C VERIZON NORTHWEST INC
HC GREGORY M. ROMANO
GENERAL COUNSEL NW REGION
1800 41ST STREET
MC WA0105GC
EVERETT, WA 98201
gregory.m.romano@verizon.com

(C) **COMCAST PHONE OF OREGON
LLC**
ANDREW FISHER
ONE COMCAST CENTER
PHILADELPHIA, PA 19103
andrew_fisher@comcast.com

(C) **COVAD COMMUNICATIONS CO**
KATHERINE K MUDGE
7000 N MOPAC EXPWY 2ND FL
AUSTIN, TX 78731
kmudge@covad.com

(C) **DAVIS WRIGHT TREMAINE LLP**
(HC) GREGORY J KOPTA
1201 THIRD AVE – STE 2200
SEATTLE WA 98101-1688
gregkopta@dwt.com

(C) **DAVIS WRIGHT TREMAINE LLP**
(HC) MARK P TRINCHERO
1300 SW FIFTH AVE STE 2300
PORTLAND OR 97201-5682
marktrinchero@dwt.com

(C) **INTEGRA TELECOM OF
OREGON, INC**
DENNIS AHLERS
6160 GOLDEN HILLS DR
GOLDEN VALLEY MN 55416-1020
ddahlers@integratelecom.com

(C) **TW TELECOM OF OREGON LLC**
LYNDALL NIPPS (C)
845 CAMINO SUR
PALM SPRINGS CA 92262-4157
lyndall.nipps@twtelecom.com

(C) **XO COMMUNICATIONS
SERVICES INC**
REX M KNOWLES
7050 UNION PARK AVE – STE 400
MIDVALE UT 84047
rex.knowles@xo.com

W (C) **LEVEL 3 COMMUNICATIONS
(HC) LLC**
GREG L ROGERS
SR CORPORATE COUNSEL
1025 ELDORADO BLVD
GOLDEN VALLEY, MN 55416-1020
greg.rogers@level3.com

(C) **360 NETWORKS**
(HC) MICHEL SINGER-NELSON
370 INTERLOCKEN BLVD STE 600
BROOMFIELD CO 80021-8015
mnelson@360.net

**PAETEC COMMUNICATIONS
INC**
WILLIAM A HAAS
VP REGULATORY AND PUBLIC
POLICY
1 MARTHA'S WAY
HIAWATHA IA 52233
bill.haas@paetec.com

W(C) MCDOWELL & RACKNER PC
(HC) LISA F RACKNER
ATTORNEY
520 SW 6TH AVE STE 830
PORTLAND, OR 97204
lisa@mcd-law.com

W MCDOWELL & RACKNER PC
WENDY MCINDOO
OFFICE MANAGER
520 SW 6TH AVE STE 830
PORTLAND, OR 97204
wendy@mcd-law.com

W(C) MCDOWELL & RACKNER PC
(HC) ADAM LONEY
OFFICE MANAGER
520 SW 6TH AVE STE 830
PORTLAND, OR 97204
wendy@mcd-law.com

Respectfully submitted,



G. Catriona McCracken
Staff Attorney
The Citizens' Utility Board of Oregon
610 SW Broadway, Ste. 308
Portland, OR 97205
(503)227-1984
Catriona@oregoncub.org