

ISSUED: February 5, 2010

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1431

In the Matter of

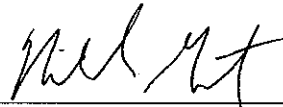
VERIZON COMMUNICATIONS INC. and  
FRONTIER COMMUNICATIONS  
CORPORATION

Joint Application for an Order Declining to Assert  
Jurisdiction, or, in the alternative, to Approve the  
Indirect Transfer of Control of VERIZON  
NORTHWEST INC.

NOTICE OF  
EX PARTE  
COMMUNICATION

On January 21, 2010, Commissioner Ray Baum received an electronic mail message from Roger White, a member of the Commission Staff. The message contains information that relates to the merits of an issue pending in this proceeding. Commissioner Baum did not reply to the message. A copy of the message is attached.

Because Mr. White is a witness to this proceeding, the message constitutes an *ex parte* communication in this proceeding under OAR 860-012-0015. Accordingly, I am providing notice of it to all parties to this docket. Moreover, a copy of this notice will be made part of the official record in this proceeding. Parties have the right to rebut the communication within 10 days of this notice, with service to all parties of record.



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Michael Grant  
Chief Administrative Law Judge

**GRANT Michael**

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**To:** michael.grant@state.or.us  
**Subject:** FW: REVIEW OF FRONTIER'S FILING

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**From:** WHITE Roger  
**Sent:** Thursday, January 21, 2010 3:59 PM  
**To:** BAUM Ray  
**Subject:** REVIEW OF FRONTIER'S FILING

Ray,

Are we allowed to ask the company clarifying questions? The scenarios that we have laid out in Condition 14 do not really set a spending level for the offices in question. The \$10 million that is to take place in the first year is directed toward the state-wide deployment of interoffice facilities capable of handling broadband and the \$15 million is an escrow amount that is to be held until the deployment is achieved. McCarthy's responses on pages 7 and 8 were all incremental amounts, but it is not clear what the base amount is to which they are incremental.

Our current scenarios in Condition 14 look like the following:

Conditions That Need to be Met to Release Escrowed Funds  
Condition 14

| Timeframe      | Activity  | Covered                          |
|----------------|---|----------------------------------|
| Within 2 Years | Minimal Broadband Deployment  | 95% of Wire Centers              |
| Within 2 Years | 50% of the Households will have broadband   | 15 New Wire Centers in each      |
| Within 2 Years | 75% of the Households will have broadband   | 10 New Wire Centers in each      |
| Within 2 Years | 40% of the Households will have broadband   | The 25 wire centers in aggregate |
| Within 2 Years | 60% of the Households –1.5 mbps (can petition for a slower speed if not feasible) | 15 New Wire Centers in aggregate |

Roger