



THE COMMONWEALTH OF MASSACHUSETTS

**DEPARTMENT OF
TELECOMMUNICATIONS & ENERGY**

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October 23, 2006

VIA EMAIL AND USPS

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RE: Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariff: M.D.T.E. No. 14, filed with the Department on June 16, 2006, to become effective July 16, 2006, by Verizon New England, Inc. d/b/a Verizon Massachusetts
D.T.E. 06-61

Dear Attorneys Branfman, Macres and Munnely:

Enclosed please find the second set of information requests issued by the Department of Telecommunications and Energy ("Department") to Broadview Networks, Inc., DSCI Corp., Eureka Telecom, Inc. d/b/a InfoHighway Communications, Metropolitan Telecommunications of Massachusetts, Inc. d/b/a MetTel, New Horizon communications and One Communications ("CLEC Coalition") in the above-captioned matter.

In accordance with the Procedural Notice issued in this docket, please submit information request responses to the Department and the parties within five (5) business days of the date of this request. See Procedural Notice, § III.D.1. Should you have any questions regarding these information requests, please contact me at (617) 305-3578.

Sincerely,

/s/

Tina W. Chin
Hearing Officer

Encls.

cc: Service list (w/encls.)

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**SECOND SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY
TO THE CLEC COALITION
D.T.E. 06-61**

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy (“Department”) submits to Broadview Networks, Inc., DSCI Corp., Eureka Telecom, Inc. d/b/a InfoHighway Communications, Metropolitan Telecommunications of Massachusetts, Inc. d/b/a MetTel, New Horizon communications and One Communications the following Information Requests.

Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if Verizon or its witnesses receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term “provide complete and detailed documentation” means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which

information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please serve a copy of the responses as follows: (a) one original to Mary L. Cottrell, Secretary of the Department; (b) one copy to all parties; (c) two copies to Tina W. Chin, Hearing Officer; and (d) one copy to each Department staff member listed on the current distribution list.

Information Requests to CLEC Coalition

- DTE-CC 2-1 Refer to Verizon's Rebuttal Testimony, pages 3-10. Please respond to Verizon's arguments regarding the appropriateness of using separated intrastate costs, including, but not limited to, the argument that total revenues, including interstate revenue, must be included in the denominator if interstate expenses are included in the numerator.
- DTE-CC 2-2 Refer to the CLEC Coalition's response to DTE-CC 1-9. You state that the resale discounts should "reflect all costs that are avoided by VZ-MA and not just a separated portion." Is it your position that revenues corresponding to all avoided costs should be reflected in the calculation of a resale discount.
- DTE-CC 2-3 Are Verizon's alternative calculations of the resale discounts using unseparated data correct? Please explain. Please rerun your calculations of the resale discount, by including the \$2.37 billion in combined state and interstate revenue, adjusted for the categories of revenue and expenses you claim should be either included or excluded.
- DTE-CC 2-4 Please provide a list of all states, including non-Verizon states, that used jurisdictionally unseparated expenses in calculating the resale discount. For each state, indicate whether combined state and interstate revenue is used in the calculation of the resale discount. If jurisdictionally separated data is used, indicate for each state whether ARMIS 43-03 factors were used to separate the expenses and revenues.
- DTE-CC 2-5 Refer to the CLEC Coalition's Rebuttal Testimony, page 21. If the Act does not limit Verizon's obligations to offer services for resale to intrastate services only, is it your position that Verizon's obligations to offer services for resale should extend to include interstate services. If yes, should the combined state and interstate expenses and revenues be used in calculating the resale discount. Please explain.
- DTE-CC 2-6 Refer to the CLEC Coalition's response to DTE-CC 1-8. Does Verizon provide regulated retail services on an interstate basis? If yes, is it your position that regulated interstate retail services should be subject to the resale discounts. Please provide citation to any relevant precedent to support your position.
- DTE-CC 2-7 If your response to DTE-CC 2-2, above, is that Verizon does not provide retail services on an interstate basis, please explain how inclusion of the

non-retail expenses in the calculation of the resale discount would be consistent with Section 251(c)(4), which requires carriers to offer for resale at wholesale rates any telecommunications service that the carrier provides at **retail** to subscribers who are not telecommunications carriers.

- DTE-CC 2-8 Are you aware of any CLECs that purchase interstate retail services from an ILEC for resale? If so, please identify the CLEC, the ILEC, and the state.
- DTE-CC 2-9 Please articulate a stronger connection in the analogy between sales agent commissions and the level of the resale discount than you did in your testimony. Please discuss in detail.
- DTE-CC 2-10 Please provide copies of any state decisions that use sales agent commissions, or any other benchmarks or proxies, as a means for setting limits on resale discounts.