Docket No. UT-090842 Verizon Responses to Public Counsel Data Requests Nos. 90 – 128 August 5, 2009

PUBLIC COUNSEL DATA REQUEST NO. 96:

Refer to Joint Application p. 2.

- a) Please explain in detail how the transaction will "promote broadband deployment" in Washington to a greater degree than currently anticipated under Verizon ownership.
- b) Please also provide both Verizon's and Frontier's current broadband deployment plans for its Washington service territories.
- c) Please provide the Company's financial model (with cells unlocked, formulas, assumptions and original data available) that shows Frontier will be able to fulfill its broadband build-out commitments while, at the same time, service its current debt load as well as the additional debt assumed to finance the transaction.

Response:

Applicants assert Objection Nos. 3, 7, 8, 10. Subject to and without waiver of their objections, Verizon and Frontier respond as follows:

- a) Frontier's strategic direction is to significantly improve High-Speed Internet penetration in Washington by providing service to currently unserved homes as well as to provide increased capabilities to certain existing homes by increasing bandwidth. Frontier has not completed its analysis of the capabilities of current Verizon properties or developed plans for improving the service offering in the Washington territories. Frontier uses the following methodology to deploy DSL: Frontier's strategy for addressing unserved or underserved properties involves a detailed investment analysis by Frontier's Centralized Network Planning in conjunction with Frontier's Product Development teams. Network Planning engineers provide networking architectures supported by budgetary information that can be used to assess costs and rank by Central Office (i.e. cost per home served, or cost per a grouping of Central Offices). Network engineering will often design aggregates groups of Central Offices in order to optimize demographics and service research to provide a more complete view of the opportunity. Network Planning and Product Development identify costs and develop a plan.
- b) Verizon has no plans to expand DSL to additional customers in Washington. Verizon will continue to build out FiOS to the existing signed but unconstructed LFA commitments. For Frontier, please see response to Public Counsel Data Request 66.

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> c) No such model exists as Frontier has not made any specific broadband buildout commitments.

Prepared By: James Miggans and Cassandra Guinness

Date: August 5, 2009

Witness: To be determined