Docket No. UT-081393 United's Response to Verizon Data Request No. 34 Date 5/29/2009

Preparer: Christian Dippon

34. Please admit or deny that there is no policy justification for subsidizing local retail rates in high-cost areas such that end users in such areas pay rates that are *lower* than what end users pay in lower-cost areas. If you deny, please explain in detail the basis for your denial.

RESPONSE:

Depending on the policy objectives implemented by the regulatory agency, there could be policy justifications for such case. It is unclear how this question relates to Mr. Dippon's responsive testimony or this proceeding.