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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of THE JOINT PETITION FOR ENFORCEMENT OF INTERCONNECTION AGREEMENTS WITH VERIZON NORTHWEST, INC. (a/k/a GTE))) DOCKET NO. UT- 041127)) AFFIDAVIT OF MICHAEL) DAUGHTRY, VICE PRESIDENT OF) OPERATIONS FOR UNICOM)
STATE OF OREGON COUNTY OF DESCHUTES	

- I, Michael E. Daughtry, Vice President of Operations for UNICOM,
 affirm and swear as follows.
 - 2. As Vice President of Operations, my job responsibilities include, but are not limited to, overseeing network design, contracting for services, and maintaining relationships with service providers.
 - 3. UNICOM received Verizon's letters of June 8, 2004 and July 20, 2004 advising UNICOM of Verizon's intention to discontinue the provision of unbundled switching out of its Mt. Vernon, Washington switch.
 - UNICOM and Verizon have entered into an interconnection agreement for the state of Washington. The Commission approved the interconnection agreement on July 21, 2001 in Docket No. UT-013061.

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MILLER NASH LLP ATTORNEYS AT LAW TREEPHONE (104) 432-8484 4460 TWO UNION SOUARS 5

5. Our interconnection agreement with Verizon requires Verizon to provide unbundled network elements, including unbundled switching. The pertinent section of the interconnection agreement is 10.1.1 (see section II.16. of the Joint Petition for enforcement) of the "Unbundled Network Elements (UNEs) Attachment" to our interconnection agreement.

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6. UNICOM provides local voice services to end user customers in the state of Washington. We rely on our interconnection agreement with Verizon to provide those services in Verizon's local territory. UNICOM relies on the ability to purchase unbundled switching in order to provide all of its local services to residential and small business customers in Verizon territory in the state of Washington. UNICOM provides its local product in Verizon's territory using Verizon's unbundled network elements platform ("UNE-P").

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7. UNICOM began marketing its local services in the Verizon territory in Washington in the second quarter of 2002. UNICOM provides local exchange services for more than 200 customer lines served by Verizon's Mount Vernon, Washington switch through the purchase of Verizon's UNE-P product.

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8. Verizon ceased accepting orders for UNE-P relating to its Mount Vernon switch on or about August 27, 2004. As a result of this action, UNICOM will suffer a reduction in gross profit margin of approximately \$22 per line. Additionally, UNICOM would immediately stop offering service to new customers in the Mount Vernon area. The reduction in gross profit margin will have to be passed on to the customer thereby increasing

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AFFIDAVIT OF MICHAEL DAUGHTRY - 2 SEADOCS:187194.1 09/16/04 11:34 AM their cost. The customer's cost increase will almost certainly cause the customer to seek lower costs elsewhere. The only provider who can offer lower cost service is Verizon.

Michael Daughtry

STATE OF OREGON
COUNTY OF DESCHUTES

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17	MA COWWIS	ISION EXPIRES AUG. 25, 2006
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Signed and sworn to before me on 9/16, 2004, by Michael E. Daughtry.

Notary Public

M Jennifer Stillwell

(Printed or Stamped Name of Notary)

Residing at Bend, Oreson

My appointment expires: 8/25/06