

Communications
Workers of America
AFL-CIO, CLC

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June 28, 2007

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Dear Ms. Dortch:

RE: Ex Parte Notice. WC Docket No. 07-22. In the Matter of Application Filed for the Transfer of Certain Spectrum Licenses and Section 214 Authorizations in the States of Maine, New Hampshire and Vermont from Verizon Communications Inc. and its Subsidiaries to FairPoint Communications, Inc.

On June 26, 2007, Kenneth R. Peres, economist with the Communications Workers of America (CWA) met with Daniel Gonzalez, Chief of Staff to Commissioner Martin, Ian Dillner, Legal Advisor to Commissioner Martin, Thomas Navin, Chief of the Wireline Competition Bureau, and Donald Stockdale, Associate Chief of the Wireline Competition Bureau. Dr. Peres represented both CWA and the International Brotherhood of Electrical Workers (IBEW).

Dr. Peres urged the Commission to conduct an extensive and comprehensive merger review in recognition of the serious public interest impact of the proposed transaction on the 3.25 million residents of Maine, New Hampshire and Vermont. He emphasized that such a comprehensive review should include many documents that the Applicants claim to be proprietary. These documents are needed because the Applicants have stated that all of their publicly released documents “may be modified by such [confidential] disclosure schedules.”¹ He also stated that a significant amount of important proprietary information is being made available in the state regulatory proceedings in Maine, New Hampshire and Vermont. In addition, he referred the Commission to important publicly available documents such as the original S-4 and the recently released S-4/A filed by FairPoint with the Securities Exchange Commission.

¹ Form 8-K filed by FairPoint, Inc. with the Securities Exchange Commission, dated January 19, 2007 (January 8-K), p. 3.

Dr. Peres discussed the contents of the attached “CWA-IBEW Fact Sheet on the Verizon Sale to FairPoint” including the financial and structural risks posed by the transaction and the potential impact on consumers, workers and communities in the three states. Also attached to this submission is a comparison of FairPoint’s dividend yield and payout ratio to other telecommunications firms.

Dr. Peres referred to and provided copies of documents previously filed with the Commission including the CWA-IBEW Petition to Deny and Reply Comments in this docket, the pre-filed testimony of Randy Barber and Dr. Peres in the Vermont proceeding examining the proposed acquisition and the Morgan Stanley research reports that raised concerns about FairPoint’s finances and the transaction.

The CWA and IBEW have concluded that the risks to the public interest of this transaction overwhelm any purported benefits. However, Dr. Peres urged the Commission to reach its own conclusions about the deal based on its own thorough and extensive merger review.

Sincerely,



Kenneth R. Peres, PhD.
Research Economist
Research and Development Department
Communications Workers of America

encl:

cc: Daniel Gonzalez
Ian Dillner
Thomas Navin
Donald Stockdale