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February 6, 2017

Ms. Judith Whitney, Clerk
Public Service Board
112 State Street, 4th Floor
Montpelier, VT 05620-2356

Re: Docket No. 8881 Joint Petition of Consolidated Communications Holdings, Inc., Consolidated Communications, Inc., Falcon Merger Sub, Inc., FairPoint Communications, Inc., Telephone Operating Company of Vermont LLC, FairPoint Vermont, Inc., UI Long Distance, Inc., and Enhanced Communications of Northern New England, Inc., for Approval of a Transfer of Control by Merger, Pursuant to 30 V.S.A. §§ 107, 108, 109, 231(a), and 311

Dear Ms. Whitney:

As counsel for Labor Intervenors in the above-referenced proceeding, I am submitting this reply to the Joint Petitioners' Response to Motion to Intervene of Labor Intervenors dated February 3, 2017. In its Response, Joint Petitioners essentially sought clarification from Labor Intervenors about the scope of their participation in this case, in a manner similar to Labor Intervenors' counsel's statement in the parallel proceeding before the Maine Public Utilities Commission.

To be clear, Labor Intervenors agree to limit their participation in this case to those issues that are within the Board's jurisdiction. Labor Intervenors, however, do not share Joint Petitioners' views concerning those matters that are within the Board's jurisdiction. Joint Petitioners filed this case under 30 V.S.A. §§ 107, 108, and 109, among others. Those statutory provisions define the Board's jurisdiction as determining whether the proposed transaction, including the related financing, are consistent with the "public good" and the "general good of the State." In determining the "public good" and the "general good of the State," it is reasonable for the Board to inquire into the effects of the proposed transaction on the utility's workforce.

Indeed, precisely this issue was raised in the initial stages of the proceeding in which FairPoint Communications first became the dominant carrier in Vermont. In Docket 7270, the Department of Public Service suggested that Labor's participation be limited to addressing ***only*** issues that were directly related to the workforce, such as "Fairpoint's commitments to Verizon's workforce, whether job functions would be outsourced, the effect [of] the proposed transactions on pensions and other current and post-retirement benefits of union members, financial and managerial competency; and such other matters that will or may affect the interests of union-represented employees." *Joint Petition of Verizon New England Inc.,d/b/a Verizon Vermont, Certain Affiliates Thereof, and FairPoint Communications, Inc. for approval of an asset transfer, acquisition of control by merger and associated transactions*, Vt. PSB Docket 7270, Order dated Mar. 28, 2007, pp. 3-4. Many of these are the very types of issues that the Joint Petitioners now suggest should not be addressed at all in this proceeding.

Not only did the Board acknowledge that these types of issues were within the scope of the Board's jurisdiction, but it refused to materially limit Labor Intervenors' participation. Rather, the Board ruled: "The Labor Intervenors have demonstrated that their interests may be affected by the proposed transactions and that no other party can adequately protect its interests. Accordingly, the Board grants permissive intervention, pursuant to PSB Rule 2.209(B). The Labor Intervenors' participation shall be generally limited to matters pertaining to whether the proposed transaction has any material bearing on their relationship with the surviving corporation, ***and to those issues identified in their motion***." *Id.*, p. 4 (emphasis added). Importantly, the issues identified in Labor Intervenors' motion in that case, as listed in page 3 of the Board's Order, are nearly identical to the issues listed in Labor Intervenors' motion in this case, including the issues identified by the Department (effects on employment, potential outsourcing, changes in benefits), as well as the proposed new owner's financial and managerial fitness and commitment to the provision of high-quality service, and "such other matters that may affect the interests of the Labor Intervenors."

With this understanding of the matters within the Board's jurisdiction, therefore, Labor Intervenors agree to limit their participation in this case to matters within the Board's jurisdiction, just as the Board did in the 2007 proceeding.

We enclose a Certificate of Service.

Sincerely,

/s/ James A. Dumont

James A. Dumont, Esq.