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January 13, 2017

RFP #2017-001

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
REQUEST FOR PROPOSALS
FOR CONSULTING SERVICES**

Prospective Consultants:

The New Hampshire Public Utilities Commission (Commission) is seeking proposals from qualified firms or individuals to assist the Commission in the review, analysis, and evaluation of the proposed acquisition of FairPoint Communications and related public utility subsidiaries operating in New Hampshire by Consolidated Communications, Inc. and affiliated companies, pending before the Commission in Docket DT 16-872.

Pertinent dates and information are as follows:

1. Electronic Proposals must be received by the Commission prior to 4:30 p.m. on February 1, 2017.
2. Proposals should be submitted to:

Eunice Landry, Business Administrator
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429
RFP@puc.nh.gov

3. Prospective consultants may submit written inquiries about this Request for Proposals (RFP) by email to RFP@puc.nh.gov by 4:30 p.m. on January 23, 2017. Inquiries and written responses will be posted on the Commission's website at: www.puc.nh.gov/home/requestforproposal.htm. The subject line of the email must state the following: RFP #2017-001, CONSULTING SERVICES.
4. In addition to the electronic submission, prospective bidders must submit three (3) additional paper copies to the address above, which must be postmarked no later than February 2, 2017
5. Follow-up conferences/interviews will be scheduled as needed.

6. An evaluation team consisting of Commission and/or other qualified personnel will be established to evaluate proposals submitted in response to this RFP (Proposals) submitted by prospective consultants (Proposers).

I. BACKGROUND

The Commission is an administrative agency with executive, legislative and quasi-judicial powers. The Commission's prime responsibility is as an arbiter between the public utilities and their ratepayers. Proceedings in this regard address such areas as public utility rates, financing, terms and conditions of utility service, quality of service, safety and reliability, eminent domain matters, public utility exemptions from local zoning ordinances, public utility franchises, utility crossings of public lands and waters, wholesale relationships between utilities, rulemakings, and consumer complaints. The Commission's regulatory authority over most telephone utilities was limited by legislation enacted in 2012. The Commission performs other roles and functions as specified in relevant state statutes.

The Commission is seeking a qualified consultant who is able to provide technical consulting services solely at the request of the Commission through December 2017. The term of the contracted consulting services will begin immediately and will be concurrent with the proceeding.

II. SCOPE OF SERVICES

The consultant selected will be expected to assist Commission Staff in the review, analysis, and evaluation of the joint petition filed by Consolidated Communications Holdings, Inc. (CCHI) and FairPoint Communications, Inc. (FCI) for required findings by the Commission under RSA 374:30, II (and any other applicable statutory provisions) to permit them to consummate a merger and acquisition transaction pursuant to which Consolidated Communications, Inc. (CCI), a wholly-owned subsidiary of CCHI, would become the 100% owner of FCI, which in turn is the owner of Northern New England Telephone Operations, LLC d/b/a FairPoint Communications-NNE (FairPoint) and Northland Telephone Company of Maine, Inc. (Northland). Both FairPoint and Northland are incumbent local exchange carriers (ILECs) in New Hampshire, and both are deemed to be "excepted local exchange carriers" (ELECs) under RSA 362:7, I (c). FairPoint also retains certain obligations under federal and state law as a Regional Bell Operating Company (RBOC).

The Commission will review the proposed acquisition described in the joint petition under RSA 374:30, II to determine whether the utility to which the transfer is to be made is technically, managerially, and financially capable of maintaining the obligations of an incumbent local exchange carrier set forth in RSA 362:8 and RSA 374:22-p. The joint petition, associated pre-filed testimony, and other related documents are available on the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2016/16-872.html>. Proposers will be expected to be familiar with the contents of the filings.

The consultant selected for this project may, at the discretion of the Commission and in consultation with Commission staff, be asked to perform the following tasks:

- a. Evaluate whether CCHI and CCI will have the financial ability to fulfill their obligations under the joint petition and to ensure FairPoint and Northland can meet their obligations under applicable state and federal law, including a review of the proposed capital and debt structure resulting from the transaction and any particular issues related to the proposed pledge of assets as collateral security;
- b. Evaluate the managerial capability of CCHI and CCI to conduct operations in New Hampshire, and whether the proposed executive management, technical and business work force, and information technology and operational support systems will be sufficient to ensure that FairPoint and Northland can meet their obligations under applicable state and federal law;
- c. Evaluate the technical capability of CCHI and CCI to assume responsibility for the FairPoint and Northland networks and execute business processes necessary to ensure that FairPoint and Northland can meet their obligations under applicable state and federal law, including evaluation of any identified system vulnerabilities or network weaknesses and the plans and timelines to address them through necessary repairs, replacements, and other capital investments;
- d. Identify and document the technical and operational obligations that an ILEC and RBOC such as FairPoint has, which are not currently obligations imposed on CCI or its affiliates' business operations, potentially including areas of wholesale support of competitors and tandem switching support; and
- e. Identify other relevant issues and conduct other evaluations as required.

In addition to providing analysis, evaluations, and recommendations regarding the issues listed above, the consultant(s) may also be asked to provide the following:

- Analytical support in technical sessions, settlement conferences, and negotiations;
- Assistance to Staff in the preparation, review, and analysis of discovery requests and responses with respect to the joint petition, transaction structure, transition planning, and other submissions filed by parties and commenters in the proceeding;
- Preparation and delivery of reports and testimony prior to and during the litigated phases of the proceeding; and
- Participation in Commission hearings during the litigated phases of the proceeding.

The consultant shall conduct a project scoping meeting with Commission Staff. The purpose of the meeting will be to review and refine the scope, task, and project approach requirements; establish a project plan, with key deliverables and milestone dates; and establish project management and communication protocols to ensure that the information needs of both Staff and the consultant are satisfied. In the process of preparing each deliverable, the consultant will work closely with Staff in order to facilitate effective knowledge transfer on each issue.

III. CONFIDENTIALITY

Each Proposer agrees to maintain confidential all information to which it has access until such time as it is instructed otherwise by the Commission. A Proposal must remain confidential until the effective date of any contract resulting from this RFP. A Proposer's disclosure or distribution of Proposals other than to the State will be grounds for disqualification.

IV. WORKPAPERS

At the conclusion of the work, the consultant will make available to the Commission summaries of significant work papers and source documents as requested.

V. COMPONENTS OF THE PROPOSAL

The following is a list of the information to be provided in the proposal. Proposers should respond to all areas listed below, in the order listed, and conclude with a separate section on cost.

1. Corporate/Company Information. Information concerning its corporate/company history; i.e., how many years in business, corporate officers or company principals, location of branch offices, professional and business association memberships, etc., including current or prior engagements involving substantive areas similar to those described in this RFP, the parties it represented in such engagements, the scope of work it performed in such engagements, and the recommendations it made publicly or positions it advocated publicly in connection with such engagements.
2. Relevant Experience. Detailed description of the Proposer's relevant experience with respect to regulatory review of telecommunications industry mergers, acquisitions, and consolidations; inter-company transition issues; technical and operational evaluation; management structure and process analysis; and financial stability evaluation.
3. Personnel Assigned. A list of all personnel who will be assigned to this project, including the project manager (if applicable), and detailed resumes and summaries of each individual, reflecting his or her relevant experience and the nature of his or her specific responsibilities. During the course of the work, the Commission must approve in writing of any substitutions or changes in personnel assigned to perform the work.
4. References. A list of up to three references for work performed which is similar in scope or content to the one being proposed, preferably within the past 5 years.
5. Statement of Disclosure. Identification and description of any existing or potential conflicts of interest, including those that arise as a result of relationships or affiliations with utility companies under the jurisdiction of the Commission, other industry participants, trade associations, or advocacy organizations or groups that may be anticipated to participate in the Commission's proceeding to review the joint petition filed by CCHI and FCI.
6. Detailed Budget Proposal. A detailed cost proposal that identifies the hourly rate for personnel and any associated expenses, with specific reference to the defined scope of services and the responsibility of individual personnel for particular areas of inquiry and evaluation.

VI. SELECTION CRITERIA

Cost is a consideration but may not be the determining factor in the Commission's decision. In

addition to cost, the Commission will consider the following criteria and assign a corresponding point score, where a maximum score for all criteria would be 100 points and any proposal with a total aggregate point score of less than 65 points will not be considered for selection:

1. Qualifications, technical expertise, knowledge, and practical experience that the organization possesses, including that of the staff and any subcontractors assigned to the project, providing services directly relevant to the specified scope of services. **Maximum Point Score: 30**
2. Cost of consulting services and expenses, including the competitiveness of the proposed hourly rates and any proposed discounts or other cost-effective benefits. (The Commission reserves the right to negotiate lower fees or a different fee structure than proposed, with any selected firm(s).) **Maximum Point Score: 25**
3. General experience and qualifications in providing similar services in New Hampshire as well as other states and to other utility commissions or regulatory agencies, including similar current or prior engagements. **Maximum Point Score: 25**
4. Availability and accessibility of staff assigned to project, including physical proximity to New Hampshire. **Maximum Point Score: 10**
5. Overall responsiveness to the requirements of the RFP, including completeness, clarity and quality of the proposal. **Maximum Point Score: 10**

VII. GENERAL PROPOSAL CONDITIONS

1. Proposals must be typed and double-sided. Proposals that are incomplete or unsigned will not be considered. Electronic Proposals must be received by the Commission prior to 4:30 p.m. EST on February 1, 2017. The electronic copy must be in PDF (portable document file) format. In addition to the electronic submission, prospective bidders must submit three (3) additional paper copies which must be postmarked no later than February 2, 2017. Proposals must be addressed to Eunice Landry, Business Administrator, New Hampshire Public Utilities Commission, 21 S. Fruit Street, Suite 10 Concord, NH 03301-2429 and via email at RFP@puc.nh.gov.
2. Proposers may submit written inquiries about this RFP by e-mail to RFP@puc.nh.gov no later than 4:30 p.m. on January 23, 2017. Inquiries and responses to such inquiries will be posted on the Commission's website as they are received.
3. The Commission reserves the right to cancel or withdraw this RFP, to reject or accept any or all Proposals, to reject or accept all or any part of any Proposal, to determine what constitutes a conforming Proposal, to waive irregularities that it considers not material to the Proposal, to award the Proposal solely as it deems to be in the best interest of the State, to contract for any portion of the Proposals submitted and to contract with more than one Proposer if necessary. Notwithstanding any other provision of this RFP, this RFP does not commit the Commission

to award a contract.

4. This RFP and all information relating to this RFP, including, but not limited to, fees, contracts, agreements and prices, are subject to the laws of the State of New Hampshire regarding public information and regarding state procurement of goods and services.
5. The Commission reserves the right to amend or supplement this RFP at its discretion, prior to the Proposal submission deadline. In the event of an amendment or supplement to this RFP, the State, at its sole discretion, may extend the Proposal submission deadline, as it deems appropriate.
6. Proposals must be valid for one hundred and eighty (180) days following the deadline for submission of Proposals.
7. By submitting a Proposal, a Proposer agrees that in no event shall the Commission be either responsible for or held liable for any costs incurred by a Proposer in the preparation of or in connection with the Proposal, or for work performed prior to the effective date of a resulting contract.

VIII. CERTIFICATES

Proposers will be required to provide the following certificates prior to entering into a contract:

Secretary of State's Office Certificate of Good Standing ("CGS")	Individuals contracting in their own name do not need a CGS. Business organizations and trade names need a CGS, except for nonresident nonprofit corporations.
Certificate of Vote /Authority ("CVA")	Individuals contracting in their own name do not need a CVA. Business entities and trade names need a CVA.
Certificate of Insurance	Certificate of Insurance form attached with insurance coverage required under the contract. Modifications of insurance coverage required will be specified in the contract.
Workers' Compensation	Contractor must demonstrate compliance with or exception from RSA 281-A (and if applicable, RSA 228:4-b and RSA 21-I:80, and any other applicable laws or rules).

IX. FORM OF CONTRACT

1. The terms and conditions set forth in Form P-37 (v. 1/09) General Provisions Agreement (available at: <http://www.puc.nh.gov/Home/requestforproposal.htm>) are part of the Proposal

and will apply to any contract awarded the Proposer.

2. Any contract resulting from this RFP shall not be deemed effective until it is signed by the Commission.
3. Any contract awarded from this RFP will expire on December 31, 2017. The Commission at any time, in its sole discretion, may terminate the contract, or postpone or delay all or any part of the contract, upon written notice.
4. When responding to this RFP, please include your ability to comply with Paragraph 14, Insurance, of the General Provisions Agreement. Please note that the Commission will allow substitution of professional liability insurance for part or all of the per occurrence comprehensive general liability insurance coverage. In addition, excess liability insurance in an equal amount may be substituted for up to \$1,000,000 of the per occurrence comprehensive general liability or professional liability insurance coverage. The State reserves the right to further waive or modify the insurance requirement in Paragraph 14 based on Proposals submitted.

X. FINANCIAL INFORMATION AND PUBLIC POSTING REGARDING RFPs

Pursuant to the relevant statutes and regulations, all responses to this RFP shall be considered confidential until the award of a contract. At the time of receipt of Proposals, the State will post the number of responses received with no further information. No later than five (5) business days prior to submission of a contract resulting from this RFP to Governor and Council, the State will post the name and rank or score of each Proposer.

The content of each Proposal shall become public information upon the effective date of any resulting contract. Any information submitted as part of a response to this RFP may be subject to public disclosure under RSA 91-A. In addition, in accordance with RSA 9-F:1, any contract entered into as a result of this RFP will be made accessible to the public online via the website Transparent NH (<http://www.nh.gov/transparentnh/>). Accordingly, business financial information and proprietary information such as trade secrets, business and financials models and forecasts, and proprietary formulas may be exempt from public disclosure under RSA 91-A:5, IV. If you believe any information being submitted in response to a request for proposal, bid or information should be kept confidential as financial or proprietary information, you must specifically identify that information in a letter to the Commission, and should mark/stamp the materials as such. Marking of the entire Proposal or entire sections of the Proposal (e.g., pricing) as confidential will neither be accepted nor honored.

Notwithstanding any provision of this RFP to the contrary, contractor pricing will be subject to disclosure upon approval of the contract by the Governor and Council. The State will endeavor to maintain the confidentiality of portions of the Proposal that are clearly and properly marked confidential. If a request is made to the State to view portions of a Proposal that the contractor has properly and clearly marked as confidential, the State will notify the contractor of the request and of the date upon which the State plans to release the records. A designation by the contractor of information it believes exempt from disclosure does not have the effect of making such information exempt. The State will determine the information it believes is properly exempted from disclosure. By submitting a Proposal, contractors agree that unless the contractor obtains a court order, at its sole

expense, enjoining the release of the requested information, the State may release the requested information on the date specified in the State's notice without any liability to the contractors.