

STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION

DT 10-025

Request for Approvals in Connection with the  
Reorganization Plan of FairPoint Communications, Inc., et al.

PREFILED REBUTTAL TESTIMONY OF  
THOMAS P. NOLTING  
ON BEHALF OF FAIRPOINT COMMUNICATIONS, INC.

MAY 7, 2010

1    **Q.     State your name and business title.**

2    A.     My name is Thomas P. Nolting and I am Vice President of Billing and Revenue  
3           Assurance for FairPoint Communications, Inc. ("FairPoint").  
4

5    **Q.     Are you the same Thomas Nolting who provided prefiled testimony on February 24,**  
6           **2010?**

7    A.     Yes.  
8

9    **Q.     What is the purpose of your testimony?**

10   A.     The purpose of my testimony is to correct or clarify the record as it relates to the pre-filed  
11           testimony of certain witnesses in this proceeding.  
12

13   **Q.     On page 4 of his testimony, Mr. Tisdale stated that although FairPoint is able to bill**  
14           **correctly for the monthly dial tone portion of resold telephone service, it still**  
15           **overcharges for usage/toll charges on those bills by improperly charging the retail**  
16           **rates for usage/toll, not the applicable wholesale discounted rate. Do you agree that**  
17           **this is still a problem.**

18   A.     Mr. Tisdale is correct that there were lingering problems with the billing of wholesale  
19           services. However, this problem has been addressed as of March 18, 2010. All calls  
20           since that date have received the proper wholesale discount.  
21

1   **Q.    On page 5 of his testimony, Mr. Tisdale stated that on about 25% of bills, FairPoint**  
2       **“consistently” overcharges for trouble ticket charges on our loop bills, applying a**  
3       **retail rate rather than the required wholesale rate. Do you agree with this**  
4       **observation?**

5   **A.    No. This may have been a problem back in 2009, but it has not been a problem for some**  
6       time now. For all of 2010, and a few months before that, FairPoint has been accurately  
7       billing for trouble tickets in accordance with its tariff.

8  
9   **Q.    On page 6 of his testimony, Mr. Tisdale stated that for between 100 to 150 loops**  
10       **each month, lines that were disconnected in the middle of the prior month do not**  
11       **appear on the itemized line list on the monthly statement and no prorated credit is**  
12       **made to CRC’s bills. Is this correct?**

13   **A.    I am aware that this has been a problem, but not that it is a recurring one. Our**  
14       investigation determined that there was an error on the service order files in November  
15       causing OCCs (Other Charges and Credits) to be inaccurately calculated on disconnect  
16       orders. This has been corrected for the May bill cycles and residual adjustments are  
17       being provided to the customer through the claim process.

18  
19   **Q.    Pages 6-7 of Mr. Tisdale’s testimony describe FairPoint’s failure to apply payments**  
20       **in a timely or accurate fashion and to resolve billing disputes. Do you agree with his**  
21       **analysis?**

1 A. I agree that there have been problems in the past, but this has not appeared to be a  
2 problem for many months now. We investigated this problem in 2009 and determined  
3 that that payments in the pending file were not being applied because the outside  
4 contractor performing this function was not up to the task. As of November 2009, this  
5 function has been moved in-house, with improved checks and balances that have ensured  
6 proper application and tracking of payments.

7  
8 **Q. On page 19 of her testimony, Ms. Wilusz relays the opinion of another BayRing**  
9 **employee that “that a substantial number of FairPoint’s bills to BayRing are**  
10 **unacceptably inaccurate.” Do you agree with this?**

11 A. I agree that we had an unacceptable number of errors in 2009, as Liberty Consulting  
12 reported in the September 2009 comments that Mr. Wilusz referenced in her testimony.  
13 However, I believe that her observations are no longer valid as of the beginning of this  
14 calendar year. As a stated in the preceding answer, we completely revamped our  
15 payment posting operation December 2009, with much improved checks and balances  
16 that have since ensured accurate application and proper tracking of payments. Today  
17 FairPoint renders wholesale bills that are accurate and has set up claims process that  
18 addresses claims more expeditiously.

19  
20 **Q. Does this conclude your testimony?**

21 A. Yes.