STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: May 3, 2010 **AT (OFFICE):** NHPUC

FROM: David Goyette, Utility Analyst III - Telecommunications

SUBJECT: DT 10-077 Fairpoint Communications - NNE

Special Contract with New Hampshire Electric Cooperative for Frame

Relay Service

TO: Debra Howland, Executive Director

Kate Bailey, Director - Telecommunications

On March 29, 2010, Northern New England Telephone Operations LLC d/b/a Fairpoint Communications - NNE (Fairpoint) filed a special contract between Fairpoint and New Hampshire Electric Cooperative. On April 8, 2010, Fairpoint re-filed the contract and all supporting documentation with revisions. Under the contract, Fairpoint will provide New Hampshire Electric Cooperative with Frame Relay service with standard features, including User Network Interface Ports and Access, rated at 1.5 mbps or 56 kbps, depending on the location, for a period of 12 months. During the first 10 months of the contract New Hampshire Electric Cooperative is allowed, at any time, to order additional services at the rates set forth in the agreement. In support of the filing, Fairpoint submitted records and information, including contract terms and conditions, which are subject to confidential treatment pursuant to RSA 378:43.

Staff has reviewed the cost study data submitted by Fairpoint and confirmed that the contract rates exceed the price floor requirements as defined in Order Nos. 23,357 and 23,493 (Docket No. DT 99-018). Based on its analysis, Staff recommends that the special contract be allowed to go into effect pursuant to RSA 378:18-b, II(a).

