Support Narrative: Removal of Toll Services

General

As discussed with the Commission Staff and OCA in early March, Union Telephone Company ("Union") a/k/a Union Communications is removing the toll services listed in their NHPUC No. 7 - Telephone Service Tariff, Part V, Section 1 as a part of the acquisition process between Union and TDS Telecommunications Corporation. This tariff filing is the final step of the process, in which, TDS Long Distance Corporation ("TDS LD") will be providing the long distances services instead of Union for intraLATA toll services. The following steps were previously completed as a part of this transition:

- On March 18, 2010, Form CTP-36 "Transfer of Customer Base" was filed with the NH PUC (with a correction filing on March 24, 2010) notifying the Commission of the transfer pursuant to Puc 458.01;
- On March 18, 2010, CTP-1 Contact Information update was filed with the NH PUC;
- On March 19, 2010, customers were provided a written notice 30 days in advance of the change in the provisioning of long distance services and transfer to TDS LD. The notice also provided information on the rates, terms and conditions of service resulting from the change and any action to be taken on the part of the customers; and
- On April 15, 2010 TDS LD submitted tariff sheets to add Union's intraLATA toll service offerings to its Competitive Toll Provider Rate Schedule No. 1 to be effective April 20, 2010.

Below is a list of the former Union intraLATA toll plans that are now being provided by TDS LD, and thus being removed from Union's Telephone Service Tariff:

- MTS Two Point Service
- Selective Calling
- Circle Calling Service
- New Hampshire Link
- Granite State Service
- Union Business Advantage I
- Union Business Advantage II
- Union 800 Service
- Union 800 Flex Service
- Simple Saver

<u>Revenue</u>

Union has become an intrastate access provider versus an intrastate competitive toll provider. Due to the extensive competition in Union's market, the significant loss of customers and need for lower toll rates, along with exit from the CTP market, a revenue projection is not available. The transfer to TDS LD will provide more customer options and lower toll rate options while providing Union with intrastate access and billing and

Support Narrative: Removal of Toll Services

collection revenue streams. This change will hopefully reduce the rate of customer loss and provide a slightly more sustainable revenue stream for Union.

<u>Cost</u>

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See statement under revenue provided above. The access payments from Union Telephone Company to other LECs ended with the elimination of the toll service offerings. With the significant loss of customers, this was also trending downward.

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TOLL SERVICE

* Toll services that were previously found in this Section will be offered through (C) (D) TDS Long Distance Corporation on a grandfathered basis, effective April 20, 2010. (C)

(D)

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Joel Dohmeier, Vice-President

d. P. June

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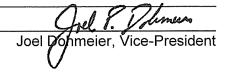
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