

# DEVINE MILLIMET

ATTORNEYS AT LAW

February 1, 2010

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***VIA ELECTRONIC DELIVERY &  
UNITED STATES MAIL***

Debra A. Howland  
Executive Director & Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, NH 03301



**Re:** DT 07-011; Verizon New England Inc., *et al.*, Transfer of Assets to FairPoint Communications, Inc.; Right-to-Know Request filed by the New Hampshire Union Leader

Dear Ms. Howland:

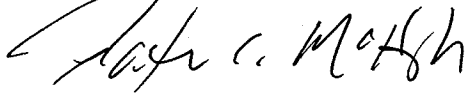
As you know, Devine, Millimet & Branch, Professional Association, represents FairPoint Communications, Inc., and its subsidiaries, including Northern New England Telephone Operations LLC d/b/a FairPoint Communications - NNE (collectively, "FairPoint"). In connection with the right-to-know request filed with the Public Utilities Commission on January 8, 2009, by the New Hampshire Union Leader (the "Union Leader"), FairPoint has agreed to release publicly a letter from Ms. Vicky Weatherwax dated November 30, 2009, and a letter from Accenture dated November 25, 2009. In return, the Union Leader has withdrawn the right to know request as noted in correspondence to you from Attorney Kathleen Sullivan, counsel to the Union Leader.

Pursuant to Attorney Sullivan's withdrawal of the right-to-request on behalf of the Union Leader, attached are the two letters at issue. Given that the Union Leader withdrew the request, FairPoint will not have available any witnesses for the hearing scheduled for 10:00 AM on February 2, 2010, and we respectfully request that the hearing be cancelled. Please note that the original and seven copies of this letter have been sent to your attention, along with eight copies of the letters from Ms. Weatherwax and Accenture.

Debra A. Howland  
Executive Director & Secretary  
February 1, 2010  
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Please feel free to contact me with any questions. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Patrick C. McHugh", written over the closing "Very truly yours,".

Patrick C. McHugh

PCM:kaa

Enclosures

cc: Office of Consumer Advocate (w/enclosures)  
Electronic Service List (w/enclosures)



521 East Morehead Street  
Suite 250  
Charlotte, NC 28202

November 30, 2009

Meredith A. Hatfield, Esq.

Office of Consumer Advocate

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21 S. Fruit Street, Suite 18

Concord, NH 03301

Dear Ms. Hatfield:

The enclosed report from Accenture confirms that FairPoint has completed Phases 0 and 1 of the Customer Delivery Improvement Project (CDIP). Phase 2, which involves design and implementation, currently is underway.

The FairPoint Project Management Office is responsible for meeting the CDIP project schedule, which includes completing 15 priority projects identified by Accenture in its report. FairPoint is committed to completing these priority projects, and the Project Management Office intends to engage external support, as required, to achieve this goal. It is worth noting in this regard that FairPoint is actively engaged in identifying and hiring a Chief Information Officer to better facilitate the completion of these priority projects, and, more generally, to effectuate the optimal development, integration and use of the Company's information technology systems in its business.

The enclosed materials include:

- A Summary Cover Letter from Accenture;
- Accenture's CDIP Assessment and Project Summary; and,
- A schedule for completing the 15 priority projects.



Please contact the undersigned at 207-648-3414 if you have questions or would like additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Vicky Weatherwax", written in a cursive style.

---

Vicky Weatherwax  
VP, Internal Business Solutions



November 25, 2009

Ms. Vicky Weatherwax

Vice President, Business Solutions Initiative

FairPoint Communications, Inc.

1 Davis Farm Road

Portland, ME 04103

RE: FairPoint BSI Phase 1 Assessment Completion Report

Dear Ms. Weatherwax,

I would like to thank you for giving Accenture the opportunity to assist FairPoint with the Business Solutions Initiative (BSI) Assessment phase (the "Project"). Accenture has completed all Project related activities and deliverables as agreed. The final Project Report and project deliverables have been provided directly to you.

The following summarizes the activities and deliverables we have completed for FairPoint in support of the Project:

- We first gathered data to develop an understanding of FairPoint's current customer delivery organization, processes, and systems. We observed FairPoint staff executing key process across multiple applications and reviewed various reports and data sources. We conducted approximately 70 working sessions, engaged with 36 workgroups across 9 different locations, and met with more than 150 different personnel (several, many times).
- We then analyzed and qualified the data we gathered. We developed a list of over 200 ideas for specific improvements, probed further to gather additional information, and refined these ideas into 150 sub-projects across four functional areas (Customer Relationship Management, Wholesale, Flow Through, and Billing).
- We grouped the sub-projects into 34 high-level projects and further prioritized these into the 15 recommended Category A projects. We believe that, as projects are completed over the next 6-10 months, the Category A projects will help facilitate the needed improvement to stabilize FairPoint customer service. Potential benefits may include more efficient customer inquiries, improved service delivery intervals, and reduced billing issues.

This document contains confidential material proprietary to  
Accenture and FairPoint Communications, Inc.

- It is recommended that FairPoint consider, upon material completion of Category A, scheduling the remaining 19 initiatives as appropriate as Several Category A recommendations enable insight into aspects of the organization that are currently not sufficiently visible. Enabling this visibility may yield opportunities that are of greater priority than the above referenced 19. Moreover, over the course of time business priorities may change. Therefore, before implementing these remaining 19 Projects, it is recommended that they be reviewed by FairPoint for re-prioritization, and then scheduled for delivery as appropriate.

Throughout the project, we were impressed with the vast majority of the FairPoint team and their personal commitment to FairPoint's customers and business success, this despite the financial difficulties that played-out in public. Our observation was that FairPoint staff commitment did not flag as they continued to engage openly and intensely with the Accenture team to help isolate core issues and develop appropriate solutions. Other major observations, also considered in the Category A recommendations, include:

- Core systems software packages enable functionality on par with industry leading solutions, but work remains to address the system integration gaps. Specifically - additional integration is required for the software packages to work better together. Key 'fallout' points remain which require manual inputs to support service delivery commitments. A higher degree of 'automated order flow-through' needs to be achieved.
- Data quality issues need to be resolved - including those embedded in the cutover and accreted via subsequent business transactions. Currently, data discrepancies across the systems negatively impact business transactions (orders, bills, trouble tickets) and service delivery commitments. Our findings indicate that a focused 'data synchronization' effort needs to take place to align core data elements across the systems.
- We would also encourage FairPoint to evaluate opportunities to continue to mature its project governance processes and develop a more robust organizational capability for ongoing refinement to overall business architecture and end-to-end processes.

Please let us know if there are any follow-up questions or support Accenture can provide. Once again, my sincere thanks to you and your team for the opportunity to collaborate with you on this important initiative.

Sincerely,

Senior Executive, Accenture