

THE STATE OF NEW HAMPSHIRE

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January 25, 2008

Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit St., Ste. 10  
Concord, NH 03301



**Re: DT 07-011 Verizon New England/FairPoint Communications**

Dear Ms. Howland:

On January 24, 2008, the Joint Petitioners and the Staff of the Commission filed a settlement agreement (NH Settlement), recommending approval of the proposed transaction as modified therein. Later that day, the Commission issued a secretarial letter announcing the process and schedule for consideration of the NH Settlement.

As the Commission recognized in its preliminary deliberations, this proceeding is “the most important telecommunications proceeding before the Commission in many years.” Transcript of New Hampshire Public Utilities Commission public meeting held on December 17, 2007 (Transcript), at 7: “In effect, by entering a settlement agreement . . . the Petitioners have publicly declared their intention to modify key terms of the transaction.” Transcript at 9 (emphasis added). Such modifications require “appropriate due process accorded to the other parties,” *Id.*, including the OCA. This due process should include a meaningful opportunity for discovery and to be heard.

Accordingly, today the OCA requested an updated model run from FairPoint, which includes the impacts of all stipulations between the Joint Petitioners and any of the parties to the three state proceedings to date, including the Vermont Department of Public Service stipulation, the Maine Office of Public Advocate stipulation and New Hampshire Staff stipulation. Such an updated model run goes to the very heart of the Commission’s public interest determination – whether FairPoint has the financial ability to successfully consummate the proposed transaction and fulfill a multitude of critical financial commitments. The updated model run will show the combined impacts of the stipulations now filed in Maine, Vermont, and New Hampshire on FairPoint’s financial projections going forward, as well as the impacts of any other stipulations with other parties (e.g. CLECs, etc.). Without immediate access to an updated model run, the OCA may not be able to meaningfully



participate in the schedule as prescribed in your letter yesterday. Presumably, the Commission itself could not rule on the NH Settlement without that same information.

The OCA is concerned that, given the import of these proceedings, the Commission has allowed so little time for the non-signatory parties to process and respond to the NH Stipulation. At this time the OCA does not ask the Commission to alter the process and schedule set forth in your letter yesterday. However, the OCA intends by this letter merely to inform the Commission that such a request may be necessary, depending upon FairPoint's response to the OCA's request for an updated model run, and the need for other critical information prior to the February 4<sup>th</sup> and 5<sup>th</sup> hearings on the stipulation.

Lastly, at this important juncture, the OCA respectfully suggests that the Commission explore how best to communicate and share information with the Vermont Public Service Board and the Maine Public Utilities Commission in order to consider the interaction, if any, of the three pending state stipulations, as well as the impacts of these individual stipulations on FairPoint. A joint proceeding, or perhaps at least joint filings, to address issues may be useful.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Meredith A. Hatfield  
Consumer Advocate

cc: service list via electronic mail only