

STATE OF NEW HAMPSHIRE

Inter-Department Communication

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[Signature]

DATE: November 13, 2009

AT (OFFICE): NHPUC

FROM: Josie Gage, Utility Analyst III

SUBJECT: DT 09-202 FairPoint Communications – NNE NHPUC Tariff No. 83
Revision – Multi-Year Discounts

TO: Debra Howland, Executive Director

On October 20, 2009 Northern New England Telephone Operations LLC d/b/a FairPoint Communications – NNE (FairPoint) submitted a tariff filing to introduce multi-year discounts on term commitments for basic exchange services for business customers.

The purpose of the revision is to add one, two, and three year commitment options for business customers. The term agreements offer a greater discount for longer commitments. Early termination charges apply to a customer that terminates the service before the end of the agreed upon term, however, customers are allowed to make an array of changes to the service without incurring these fees. Customers may opt to renew their term, arrange for service termination, or convert to month-to-month service when their commitment ends. A cost study was submitted by FairPoint with the tariff revision.

Staff conducted an analysis of the cost study submitted by FairPoint and has concluded that the price of the services provided exceeds the cost. Staff recommends that the tariff go into effect by operation of law.

