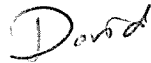


STATE OF NEW HAMPSHIRE**Inter-Department Communication****DATE:** September 14, 2010**AT (OFFICE):** NHPUC**FROM:** David Goyette, Utility Analyst III - Telecommunications**SUBJECT:** DT 10-243 FairPoint Communications - NNE
Special Contract with Southern New Hampshire Medical
Center/Foundation Medical Partners for Basic Business Service**TO:** Debra Howland, Executive Director
Kate Bailey, Director - Telecommunications

On September 10, 2010, Northern New England Telephone Operations LLC d/b/a Fairpoint Communications - NNE (Fairpoint) filed a special contract between FairPoint and Southern New Hampshire Medical Center/Foundation Medical Partners. Under the contract, FairPoint will provide Southern New Hampshire Medical Center/Foundation Medical Partners with basic business service for a period of 36 months at tariff rates. During the term of the contract Southern New Hampshire Medical Center/Foundation Medical Partners may terminate up to 15% of its basic business service lines without termination liability; otherwise termination liability is based on rates set forth in the contract. 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).