

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: October 28, 2010

AT (OFFICE):

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FROM: David Govette, Utility Analyst III - Telecommunications

SUBJECT: DT 10-283 FairPoint Communications - NNE

Special Contract with Seacoast Security for Centrex Service

TO: Debra Howland, Executive Director

Kate Bailey, Director - Telecommunications

On October 25, 2010, Northern New England Telephone Operations LLC d/b/a FairPoint Communications - NNE (FairPoint) filed a special contract between FairPoint and Seacoast Security. Under the contract, FairPoint will provide Seacoast Security with Centrex service with standard features for a period of 36 months. During the term of the contract Seacoast Security may terminate up to 20% of the lines without termination liability; otherwise termination liability is based on rates set forth in the contract. Also during the term of the contract, Seacoast Security can order up to 20% more lines than the quantity initially ordered at 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).