

STATE OF NEW HAMPSHIRE

Inter-Department Communication

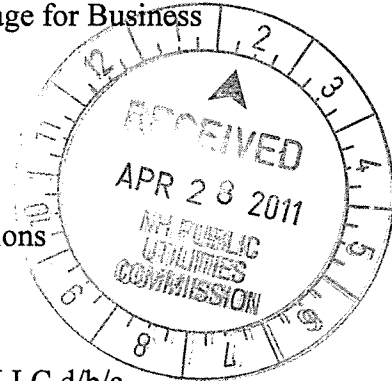
DATE: April 28, 2011
AT (OFFICE): NHPUC

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FROM: Jennifer Ducharme, Utility Analyst *JD*

SUBJECT: DT 11-072, FairPoint Communications – NNE Tariff Revision
Permanent Waiver of the Service and Equipment and/or Service
Establishment Charges for Unlimited Dial Tone Package for Business
and Unlimited CustoPAK Package for Business

TO: Commissioners
ChristiAne Mason, Assistant Executive Director
Kate Bailey, Director, Telecommunications
Michael Ladam, Assistant Director, Telecommunications



On April 4, 2011, Northern New England Telephone Operations LLC d/b/a FairPoint Communications – NNE (FairPoint) submitted a tariff filing to waive the service and equipment and/or service establishment charges for certain business bundles in its NHPUC Tariff No. 83.

The proposed revision permanently waives the service and equipment and/or service establishment charges for FairPoint's Unlimited Dial Tone Line (DTL) and CustoPAK bundled services for business customers when the customer subscribes to any term agreement. In the current tariff, these charges were only waived when a customer subscribed to a 3-year service agreement.

FairPoint submitted confidential cost analysis with its filing. Staff has reviewed the analysis and evaluated the bundles' now waived non-recurring costs versus the revenue being received and termination liability. The prices of these packages exceed their cost, and thus pass the price floor analysis.

In Staff's assessment, the bundles in this tariff revision are designed to provide pricing and features that will attract and retain business customers, particularly those seeking bundled services without additional start up costs. Staff recommends that this tariff filing be allowed to go into effect by operation of law as submitted.