STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: May 20, 2011

AT (OFFICE):

Parid

FROM: David Goyette, Utility Analyst III - Telecommunications

SUBJECT: DT 11-110 FairPoint Communications - NNE

Special Contract with Sierra Nevada Corporation

TO: Debra Howland, Executive Director

Kate Bailey, Director - Telecommunications

On May 18, 2011, Northern New England Telephone Operations LLC d/b/a FairPoint Communications - NNE (FairPoint) filed a special contract with Sierra Nevada Corporation. Under the contract, FairPoint will provide Sierra Nevada Corporation with ISDN-PRI service, including Port, Local Distribution Channel, and Caller ID with Name, for a period of 36 months. During the first 12 months of the contract, Sierra Nevada Corporation is allowed to order additional services at the rates set forth in the contract.

In its cover letter FairPoint stated the filing contains confidential, commercial, and financial information exempt from public disclosure under RSA 91-A:5, IV.

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).