

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

Northland Telephone Company of Maine, Inc.

DT 18-____

**Petition for Approval of Transfer of Franchise,
Works and Systems to Affiliate**

Pursuant to RSA 374:30(II), Northland Telephone Company of Maine, Inc. d/b/a Consolidated Communications (“Northland” or the “Company”) respectfully requests from the New Hampshire Public Utilities Commission (the “Commission”) all necessary authorizations related to a proposed transfer of Northland’s New Hampshire franchise, works and systems to its affiliate, Maine Telephone Company d/b/a Consolidated Communications (“Maine Telephone”). This Petition does not affect Northern New England Telephone Operations LLC d/b/a Consolidated Communications (“NNETO”), the other Consolidated Communications incumbent local exchange carrier (“ILEC”) with authority to provide local exchange service in New Hampshire. In support of this Petition,¹ Northland states as follows:

1. Northland is an ILEC that, pursuant to state franchise authority, provides local exchange service to customers primarily in the State of Maine, and a small number of customers in New Hampshire located near the Maine border. In New Hampshire, Northland possesses franchise authority to serve in Chatham and East Conway.² As of

¹ The Company’s Petition is also supported by the Prefiled Direct Testimony of Robert D. Meehan, Exhibit RDM-1.

² Northland Telephone Company of Maine, Inc. adopted the status of an “excepted local exchange carrier” pursuant to RSA 362:7, I(c)(2) effective December 1, 2014.

December 31, 2017, Northland served a total of 221 retail residential and business voice access lines in Chatham and East Conway.

2. Maine Telephone is an ILEC that provides local exchange service to customers in Maine pursuant to its franchise authority. As of December 31, 2017, Maine Telephone served 2,761 retail residential and business voice access lines in its Maine service territories.

3. Northland and Maine Telephone are both indirect wholly owned subsidiaries of Consolidated Communications Holdings, Inc. (“CCHI”). CCHI is a Delaware holding company with operating subsidiaries that provide communications services in 23 states. Over the last 15 years, CCHI has grown through a series of acquisitions. Most recently, in July of 2017, CCHI closed on its acquisition of FairPoint Communications, Inc. (“FairPoint”) and its operating subsidiaries, including those that provided services in New Hampshire, Maine and Vermont.³

4. As a result of the acquisitions described above, CCHI has amassed a significant number of subsidiaries. As of the filing of this Petition, CCHI is the holding company for 72 separate and distinct companies. A copy of CCHI’s current legal entity chart is provided in Exhibit RDM-2.

5. In each of the 23 states where CCHI’s companies currently operate, CCHI has examined its business structures with a critical eye toward reducing the number of business entities necessary to provide service in each jurisdiction. Accordingly, CCHI is in the process of eliminating extraneous holding companies and consolidating its operating

³ See Commission Order No. 26,011, dated May 31, 2017, approving Stipulation and Settlement Agreement in DT 16-872 and issuing the findings required under RSA 374:30, II.

subsidiaries, including those providing service in New Hampshire and Maine, and obtaining regulatory approval to do so when necessary. As a result of this process, CCHI expects to reduce the number of subsidiaries from 72 to 21. A copy of the expected post-consolidation legal entity chart is provided in Exhibit RDM-4.

6. In addition to Northland and Maine Telephone, CCHI's subsidiaries in Maine include four other ILECs, namely China Telephone Company, Sidney Telephone Company, Standish Telephone Company, and Community Service Telephone Company. CCHI's consolidation plan for Maine involves the transfer of franchise rights and other property of Northland and each of these other four Maine ILECs to Maine Telephone. Upon completion of the consolidation plan, Maine Telephone will change its name to Consolidated Communications of Maine Company.⁴

7. NNETO is not involved in CCHI's consolidation plan other than that holding company FairPoint Communications, LLC will be dissolved and NNETO will become a direct subsidiary of Consolidated Communications, Inc. In conjunction with the consolidation plan and related renaming of corporate entities NNETO will change its name to Consolidated Communications of Northern New England Company, LLC d/b/a Consolidated Communications.

8. CCHI's consolidation plan is driven by a desire to streamline its corporate structure and reduce the number of companies that have resulted from merger activity over the past 15 years. The consolidation of entities will not negatively affect any of the services that Northland provides to New Hampshire customers.

⁴ To avoid confusion, the surviving entity will continue to be referenced in this Petition as Maine Telephone.

9. RSA 374:30(II) states:

An incumbent local exchange carrier that is an excepted local exchange carrier may transfer or lease its franchise, works, or system, or any part of such franchise, works, or system, exercised or located in this state, or contract for the operation of its works and system located in this state, when the commission finds the utility to which the transfer is to be made is technically, managerially, and financially capable of maintaining the obligations of an incumbent local exchange carrier set forth in RSA 362:8 and RSA 374:22-p.

10. Northland is an excepted local exchange carrier (“ELEC”) as that term is used in Section 374:30(II). As such, Northland seeks Commission authorization pursuant to Section 374:30(II) to transfer its franchise, works and systems exercised and located in New Hampshire to Maine Telephone. Northland, Maine Telephone, and the other Maine ILECs being merged into Maine Telephone, are all subsidiaries of CCHI and are effectively operated and managed as a combined company.⁵ New Hampshire customers will receive the same services through the combined Maine Telephone entity that they currently receive through Northland and, upon the completion of the merger, Maine Telephone will accept and discharge all New Hampshire regulatory obligations that apply to Northland immediately before the merger. As a subsidiary of CCHI, Maine Telephone is technically, managerially and financially capable of maintaining the obligations of an ILEC-ELEC and authorization pursuant to Section RSA 374:30(II) should be granted.

⁵ Northland is a subsidiary of ST Enterprises, Ltd, which is a subsidiary of FairPoint Communications, LLC. Maine Telephone is a subsidiary of Utilities Inc., which is a subsidiary of MJD Ventures, which in turn is a subsidiary of FairPoint Communications, LLC. See Exhibit RDM-3. Through a series of interim steps each of these four holding companies will be dissolved as part of the overall consolidation plan.

For all of the reasons stated in this Petition, as well as the accompanying Direct Testimony of Robert D. Meehan (Exhibit RDM-1), Northland respectfully requests that the Commission:

- A. Approve the transfer of Northland's franchise, works and systems exercised and located in New Hampshire to Maine Telephone pursuant to RSA 374:30(II); and
- B. Grant such other approvals and relief as may be just, necessary and appropriate in the circumstances.

Dated: October 26, 2018



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Certificate of Service

I hereby certify that on this 26th day of October, 2018, a copy of this Petition has been sent by electronic mail to the New Hampshire Office of Consumer Advocate.



William D. Hewitt