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# STATE OF NEW HAMPSHIRE

## Inter-Department Communication

**DATE:** May 7, 2010  
**AT (OFFICE):** NHPUC

**FROM:** Jennifer Ducharme, Utility Analyst 

**SUBJECT:** DT 10-108 FairPoint Communications – Tariff Filing to Amend Local Measured Service

**TO:** Debra Howland, Executive Director

On April 14, 2010, Northern New England Telephone Operations LLC d/b/a FairPoint Communications – NNE (FairPoint) submitted a filing to amend its NHPUC Tariff No. 83, to state that the timing of messages for local measured service, both initial and overtime periods, will be in message units that are in five minute increments or a fraction thereof.

The revisions will amend the existing tariff, which is ambiguous, and can be interpreted as having two separate measured service rates. It reads, “For the timing of messages, the initial period is five minutes for one or two unit messages. The overtime period is five minutes for one unit messages and three minutes for two unit messages. For each of the overtime periods, one message unit applies.”

On May 5, 2010, the Office of Consumer Advocate (OCA) filed a notification of its intent to participate in the docket, pursuant to RSA 363:28.

Staff submitted a data request to FairPoint on May 6, 2010, requesting further clarification of the terms “one unit message” and “two unit message” in order to better assess the impact of this revision on customers. FairPoint provided responses to Staff’s request on May 7, 2010. FairPoint noted that the reference to “one unit message” and “two unit message” should have read “one message unit” and “two message units.” The existing tariff language seems to imply that a message unit is measured in 5 minute increments for each of the first two message units, and 3 minute increments for each message unit thereafter within each phone call.

For example, under the current tariff, a local measured service customer is allotted 30 message units per month. If a customer makes a call that lasts 5 minutes or less, then they are charged for 1 message unit. If the same call is more than 5 minutes, but less than 10 minutes, the customer is charged 2 message units. If the same customer call is over 10 minutes long, then the customer is charged one message unit for every 3 minutes after the first 10 minutes of that call, until the call is completed. The proposed change will allow up to 5 minutes for every message unit and will do away with all references to 3 minute increments. Under the proposed 5 minute increments, a 20 minute call would be counted

as 4 message units, whereas under the current 3 minute increments, a 20 minute call would be counted as 6 message units. Accordingly, under the existing tariff language, FairPoint would deduct the customer's monthly allotted units more quickly.

This ambiguous language was inherited by FairPoint from the old New England Telephone Tariffs, and was interpreted by FairPoint as explained above, when FairPoint designed its billing systems. According to FairPoint, after cutover it learned from customer complaints that Verizon had never deducted message units in 3 minute increments. The new language clarifies and restores billing to the method historically used by Verizon and will be more beneficial to customers by not deducting message units from measured service customers as quickly.

The OCA submitted additional data requests to FairPoint on May 7, 2010. FairPoint responded to these requests on May 12, 2010. The revision to this tariff is a housekeeping change that restores Verizon's measured service billing practices, which are more favorable to its customers.

Therefore, Staff recommends allowing the change to go into effect by operation of law on May 14, 2010, as requested.