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STATE OF NEW HAMPSHIRE
Inter-Department Communication

DATE: August 2, 2010
AT (OFFICE): NHPUC

David
FROM: David Goyette, Utility Analyst III - Telecommunications

SUBJECT: DT 10-164 Fairpoint Communications - NNE
Special Contract with Liberty Mutual Insurance for Basic Business Service

TO: Debra Howland, Executive Director
Kate Bailey, Director - Telecommunications

On June 8, 2010, Northern New England Telephone Operations LLC d/b/a Fairpoint Communications - NNE (Fairpoint) filed a special contract between Fairpoint and Liberty Mutual Insurance. Under the contract, Fairpoint will provide Liberty Mutual Insurance with basic business service for a period of 36 months at tariffed rates. During the term of the contract Liberty Mutual Insurance may terminate up to 25% of its lines without termination liability; otherwise termination liability is per the tariff. 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.

On July 6, 2010, the Commission extended the effective date of the special contract pursuant to RSA 378:18-b, II (b), by 30 days, to August 6, 2009, to provide Fairpoint additional time to file supporting data requested by Staff.

Staff has reviewed the cost study data and additional information 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).