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**STATE OF NEW HAMPSHIRE
Inter-Department Communication**

**DATE: September 22, 2010
AT (OFFICE): NHPUC**

FROM: Jennifer Ducharme 

SUBJECT: DT 10-228 – FairPoint Communications – NNE - Tariff Filing to Increase the Monthly Recurring Charge of the CallAround 603 Plus Plan and the Sensible Minute Plan

TO: Commissioners
Debra A. Howland, Executive Director
Kate Bailey, Telecommunications Division Director

On August 31, 2010, FairPoint Communications – NNE (FairPoint) submitted a tariff filing to increase the monthly recurring charge of its CallAround 603 Plus and Sensible Minute optional calling plans in NHPUC Tariff No. 83. The tariff goes into effect by operation of law if not acted upon by September 30, 2010.

The tariff modifications increase the monthly recurring rate of the two plans for residential customers. The CallAround 603 Plus Plan is being increased from \$7.00 to \$8.00 per month and the Sensible Minute Plan is being increased from \$1.00 to \$2.00 per month.

On September 17, 2010, FairPoint filed a request for a waiver of Commission rules, which it supplemented and clarified in its September 21, 2010 filing. FairPoint requested a waiver of NH Code of Admin. Rules, Puc 1605.02 (a)(1), (2) and (4), Puc 1605.02(c) and 1604.08(c)(9). The request seeks to relieve FairPoint of obligations to provide cost, rate and revenue impact information regarding the proposed rate changes. FairPoint states that it believes that providing the information would be onerous since the services for which the rate changes are sought are merely optional toll plans for which there is substantial competition in the state. FairPoint also notes that its competitors are permitted to make rate changes similar to the ones FairPoint is requesting without providing supporting documentation for Commission review.

Staff has reviewed the filings and pursuant to Puc 205.01, Staff believes that FairPoint's request is in the public interest, and that compliance with the rules would be onerous given that the rate increases apply to optional calling plans with multiple forms of alternative competition available. Additionally, Staff believes that FairPoint's request will not disrupt the orderly and efficient resolution of matters before the commission. Therefore, Staff recommends that the Commission grant FairPoint's request for a waiver of Puc 1605.02 (a)(1) and (4), Puc 1605.02(c) and 1604.08(c)(9). Staff notes that a

waiver of Puc 1605.02(a)(2) is not necessary since FairPoint provided the applicable tariff pages as required by the rule in its original filing.

Finally, although the rates for CallAround 603 Plus Plan and the Sensible Minute Plans are being increased, consumers have many options from both FairPoint and its competitors. Consumers can choose alternatives to best fit their usage patterns and are not required to purchase these services to obtain local service. Staff recommends that the Commission allow this tariff filing increasing the CallAround 603 Plus Plan and Sensible Minute Plan rates to go into effect as submitted.