

August 15, 2011

Ms. Debra Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, NH 03301

Re: DT 11-151 (Petition by Merrimack County Telephone Company for an Alternative Form of Regulation)

Dear Ms. Howland:

Enclosed for filing in the above-referenced matter are an original and six (6) copies of a "Stipulation and Settlement Agreement" (the "Stipulation") jointly entered into by Union Telephone Company, Inc. ("Petitioner"), New Hampshire Legal Assistance ("NHLA") and the Staff of the New Hampshire Public Utilities Commission. An electronic version of this filing is being transmitted separately. The Stipulation represents a settlement of all issues in dispute among the Signatories in this matter.

Attached to the Stipulation, as Exhibit "A", is a set of amendments to the Petitioner's proposed Alternative Regulation Plan. The amendments, shown in redline in the Exhibit, reflect the joint agreement of the Signatories. The Signatories recommend that the Commission approve the Petitioner's Plan, as amended by the Stipulation.

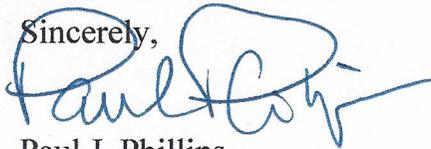
The Office of Consumer Advocate ("OCA"), which is participating in this matter, has not signed on to the Stipulation. Nonetheless, the Consumer Advocate has authorized me to state as follows: "The OCA takes no position on the plan itself, and supports the additions to the plan regarding the rate freeze for basic local exchange service and the provisions related to Lifeline/LinkUp. The OCA also takes no position on whether a hearing is necessary."

Petitioner believes the Stipulation, and OCA's lack of objection thereto, should allow the Commission to grant Petitioner the relief it seeks, in accordance with the terms and conditions of the Stipulation, without the need for a technical hearing. Counsel for NHLA has also authorized me to state that NHLA concurs in the recommendation that the Commission can rule on the Petition and the Amended Plan without necessity of a

hearing. If the Commission determines that a hearing should be scheduled to consider the Stipulation, the Petitioner asks only that any hearing be scheduled at the earliest opportunity.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul J. Phillips", with a large, stylized initial "P" and "J".

Paul J. Phillips
Counsel for Merrimack County Telephone Company

cc: Electronic Service List, DR 11-151