

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: July 27, 2011
AT (OFFICE): NHPUC

FROM: Jennifer Ducharme, Utility Analyst 

SUBJECT: DT 11-152, FairPoint Communications – NNE Tariff Revisions to Construction Language; Localities and Exchanges of Connection Exchange Maps; and Other Services

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



On June 30, 2011, Northern New England Telephone Operations LLC d/b/a FairPoint Communications – NNE (FairPoint) submitted a tariff filing to add certain tariff language pertaining to termination charges for highway, private property and underground construction; revises language regarding exchange maps; and removes the language in sections 12.13.1 and 12.13.2 entitled, Service Through Miscellaneous Common Carriers, in its NHPUC Tariff No. 83.

The proposed language addition regarding construction is being updated to include an early termination fee if customers disconnect service prior to the one year minimum service period, as currently required in the tariff. Under the proposed revision, if service is disconnected within one year, the customer will be responsible for paying an early termination fee equal to 100% of the monthly recurring basic exchange service charges, per access line, for the remainder of the term. FairPoint attributes the need for this termination fee to be to recover the costs of the first pole installed, which is covered by FairPoint as part of the installation, as well as the costs of the cable and wire placed. FairPoint noted that, the Company periodically incurs costs to install service to a new customer, only to have the customer disconnect service immediately after construction and migrate service to a CLEC.

The proposed tariff revision also modifies and reformats the language in 5.3.1, regarding Exchange maps, in order for the section to read more fluidly. No major substantive changes were made.

Lastly, FairPoint proposes removing the language in Sections 12.13.1 and 12.13.2 entitled, Service through Miscellaneous Common Carriers. This was a service that was provided to customers of miscellaneous common carriers operating in the mobile radio service field. It was used primarily to keep field workers with mobile radios connected to a main dispatch point or base. The service only allows one user to speak at once unlike current cellular services and other personal communications services available currently. FairPoint asserts that this service was introduced and used in the 1970's and FairPoint currently has no customers subscribed to this service in New Hampshire and no longer wishes to offer it.

In Staff's assessment, the proposed language to add a termination clause to construction charges is necessary in order to recover construction costs from new customers and ensure that the minimum one year service requirement is met. The other language changes proposed do not harm customers and provide additional clarity to the tariff. Lastly, the deletion of sections 12.13.1 and 12.13.2 does not affect any current customers and the services are obsolete with today's technology. Therefore, Staff recommends that this tariff filing be allowed to go into effect by operation of law on July 29, 2011, as proposed.