STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: July 26, 2011 **AT (OFFICE):** NHPUC

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FROM: David Goyette, Utility Analyst III - Telecommunications

SUBJECT: DT 11-165 FairPoint Communications - NNE

Special Contract with Salem Public Schools

TO: Debra Howland, Executive Director

Kate Bailey, Director - Telecommunications

On July 25, 2011, Northern New England Telephone Operations LLC d/b/a FairPoint Communications - NNE (FairPoint) filed a special contract with Salem Public Schools. Under the contract, FairPoint will provide Salem Public Schools with Centrex service at a discounted line rate for a period of 24 months.

In its cover letter FairPoint stated the filing contains confidential, commercial, and financial information exempt from public disclosure under RSA 91-A:5, IV.

Staff has reviewed the cost study data 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).