

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 04/26/2021

Request No. STAFF 1-007

Page 1 of 1

Request from: New Hampshire Public Utilities Commission Staff

Witness: Lee G. Lajoie

Request:

Reference Lajoie Testimony, Bates 19. Please explain in detail why Eversource and Consolidated have settled on a payment agreement that does not hold Consolidated fully responsible for appropriate vegetation management costs incurred through any potential approved sale date?

Response:

Eversource's payment for the Transferred Poles settles a dispute among the parties concerning Consolidated's share of vegetation management costs and as such is a negotiated amount taking into consideration a variety of factors, including vegetation management expenses through an anticipated sale date as well as avoided costs of litigation to otherwise resolve the dispute. Since the "full" amount owed is central to the dispute, it is impractical to structure the payment for the Transferred Poles on the full amount of Consolidated's vegetation management contribution as suggested here by Staff.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 04/26/2021

Date Supplement Request Received: 05/13/2021

Date of Supplement Response: 05/20/2021

Request No. STAFF 1-008-SP01

Page 1 of 1

Request from: New Hampshire Public Utilities Commission Staff

Witness: Lee G. Lajoie, Michael Shultz, Sarah Davis

Request:

Reference Lajoie Testimony, Bates 19, describing a "Joint Ownership Agreement dated September 1, 2011 between Eversource and Consolidated."

- a. Please provide a copy of the aforementioned Joint Ownership Agreement, including any and all schedules, appendices, amendments, modifications, and supplements of or to that agreement.
- b. Please provide a copy of any other currently effective joint ownership agreements which have been entered into by either Eversource or Consolidated, including Intercompany Operating Procedures.

Response:

ORIGINAL RESPONSE:

- a. See attachment Staff 1-008a
- b. The Joint Petitioners have not entered into any other such agreements between the companies.

SUPPLEMENTAL RESPONSE:

The response to part a. is being supplemented to include the Intercompany Operating Procedures (IOPs) as part of the Joint Use/Ownership agreement. Please see Attachment Staff 1-008-SP01 for the agreement that includes the IOPs.

The response to part b. is not being revised as part of this supplement.

JOINT USE/OWNERSHIP AGREEMENT

DATED: September 1, 2011

BETWEEN

NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC
D/B/A FAIRPOINT COMMUNICATIONS – NNE

AND

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

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AGREEMENT

This AGREEMENT, made this 1st day of September, 2011, between NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC, d/b/a FAIRPOINT COMMUNICATIONS – NNE, a limited liability company organized and existing under the laws of the State of Delaware, having its principal office at 521 East Morehead Street, Suite 250, Charlotte, North Carolina 28202 (“FairPoint”), and PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE, organized and existing under the laws of the State of New Hampshire, having its principal office at 780 North Commercial Street, Manchester, New Hampshire 03101 hereinafter sometimes called “the parties”

WITNESSETH THAT:

WHEREAS, the parties desire to provide for the joint use/ownership of the poles and anchors when and where such joint use/ownership will be of mutual advantage;

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties do, for themselves, and their successors and assigns, mutually covenant and agree as follows:

- | | |
|-------------------------------|--|
| Scope of Agreement | Article 1. This Agreement shall be in effect in the areas in the State of New Hampshire in which both parties have the right to operate on the effective date hereof and thereafter. |
| Permission for and Joint Use | Article 2. Each party permits the joint use/ownership of any of its poles anchors now standing or hereafter erected within said areas to the extent that this Agreement, under the terms and conditions of this Agreement and of Intercompany Operating Procedures adopted pursuant to this Agreement, except that each party reserves the right to exclude from joint use/ownership poles and anchors which are, in its judgment, necessary for its sole use or its use together with attachments of municipalities or other third parties referred to in Article 4. |
| Rights and Obligations: IOP's | Article 3. To carry out the purpose of this Agreement to facilitate the joint use/ownership of poles, the Agreement set forth the rights and obligations of the parties with respect to such use, including without limitation their rights and obligations with respect to the following matters:
<ul style="list-style-type: none">A. Allocation of ownership and allocation of spaceB. Division of costs and expensesC. Acquisition of joint ownershipD. Construction standardsE. Performance of workF. Payment and billing |

- G. Custody and maintenance areas
- H. Changes in character of circuits
- I. Termination of joint ownership
- J. Administration of Agreement

Certain of the basic contractual provisions of this Agreement are not set forth in the body of the Agreement, but are set forth with operational or administrative procedures in Intercompany Operating Procedures (IOP's). IOP's in effect at any time shall be attached hereto and shall be a part of this Agreement. The IOP's in effect or taking effect upon the effective date of this Agreement are listed in Schedule A attached hereto.

The provisions of IOP's in effect at any time shall be subject to review upon the written request of either party given to the other. Amendments to IOP's, including elimination of any effective IOP's or addition of new IOP's, shall be made effective by written instrument signed on behalf of each party by a duly authorized officer of such party or by some other representative designated herein or by such officer by written notice to the other party.

Sole Agreement

Article 4. This Agreement and the IOP's constitute the entire agreement between the parties respecting joint ownership and use of poles and anchors; provided however, the parties have jointly or separately contracted and may in the future jointly or separately contract with third-party cable television companies, competitive local exchange carriers ("CLECS") or other telecommunications service providers, governmental entities and other companies as required or permitted by law for the joint use of, or the use of space on, poles covered by this Agreement and nothing herein contained is intended to prevent such third-party contracts.

Construction Standards

Article 5. Construction and maintenance of all poles, guys and anchors and of all attachments of both parties under this Agreement shall conform to the applicable provisions of the latest edition of the National Electrical Safety Code and to all applicable governmental requirements.

Municipal Space Attachments

Article 6. Upon each of the poles covered by this Agreement, and located or to be located within a municipal public road or highway, municipal space on the pole shall be provided as required in the pole license issued by the municipality and the pole attachment agreement entered into between the pole owner and municipality.

Attachments

Article 7. When temporary construction on jointly owned poles does not conform to the requirements of Article 5 and its unsafe or restrictive to one of the parties, the parties will cooperate in correcting the unsafe or restrictive conditions. Irrespective of which party may be financially responsible for the costs of any transfer or rearrangement of any attachments, each party, through its own personnel or through its agents or

	<p>contractors, shall place, maintain, rearrange and transfer its own attachments.</p>
Electrical Interference	<p>Article 8. Each party shall so construct, operate and maintain its facilities that electrical interference with the facilities of the other is avoided or minimal and shall, at its own expense, correct any such electrical interference caused by its facilities which is more than minimal, when it occurs.</p>
Work Responsibility	<p>Article 9. The work of installation, replacement, relocation or removal of new or existing jointly owned poles, guys and anchors shall be divided equitably between the parties. The division of this work shall be by the establishment of maintenance areas in which one party or the other is assigned the responsibility for such work.</p>
Payment of Taxes	<p>Article 10. Each party shall be responsible for payment of a portion of the taxes and other governmental charges relating to the jointly-owned property covered by this Agreement in proportion to its ownership thereof, except that any such taxes or charges imposed upon the property solely because of the ownership or use of that property by only one of the parties shall be paid by that party.</p>
Bills and Payment for Work	<p>Article 11. Within 60 days after the completion by one party of work for which the other party is to be partially or wholly responsible financially, the party that did the work shall render to the other party an itemized statement of charges showing the cost of the work, and if found to be correct, the charges shall be promptly paid.</p>
Existing Rights of Other Parties	<p>Article 12. If either of the parties hereto has, prior to the execution of the Agreement, conferred upon others, not parties to the Agreement, by contract or otherwise, rights in or privileges to use any poles covered by this Agreement, nothing herein contained shall be construed as affecting said rights or privileges, and either party hereto shall have the right, by contract or otherwise, to continue and extend such existing rights, or privileges; it being expressly understood, however, that for the purpose of this Agreement, the attachments of any such outside party shall be treated as attachments belonging to the grantor, and the rights, obligations and liabilities hereunder of the grantor in respect to such attachments shall be the same as if it were the actual owner thereof. Attachments made by third parties under community antenna TV contracts or under other contracts executed by both parties to this Agreement, and fire and police signal attachments of municipalities or other public authorities, shall not be considered to be covered by this Article.</p>

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Assignment of
Rights

Article 13. Except as otherwise provided in this Agreement, neither party hereto shall assign or otherwise dispose of this Agreement or any of its rights or interests hereunder, or in any of the jointly used poles or the attachments or rights-of-way covered by this Agreement, to any firm, corporation or individual, without the written consent of the other party; provided, however, that nothing herein contained shall prevent or limit the right of either party to mortgage any or all of its property, rights, privileges and franchises, or to lease or transfer any of them to another corporation organized for the purpose of conducting a business of the same general character as that of such party, or to enter into any merger or consolidation; and, in case of the foreclosure of such mortgage, or in case of such lease, transfer, merger, or consolidation, its rights and obligations hereunder shall pass to, and to acquired and assumed by, the purchaser on foreclosure, the transferee, lessee, assignee, merging or consolidating company, as the case may be; and provided, further, that subject to all of the terms and conditions of this Agreement, either party may permit any corporation conducting a business of the same general character as that of such party, and owned, operated, leased and controlled by it, or associated or affiliated with in interest, or connected with it, the use of all or any part of the space reserved hereunder for such party on any pole covered by this Agreement for the attachments used by such party, in the conduct of its said business; and for the purpose of this Agreement, all such attachment maintained on any such pole by the permission as aforesaid of either party hereto shall be considered as the attachments of the party granting such permission, and the rights, obligations and liabilities of such party under this Agreement, in respect to such attachments, shall be the same as if it were the actual owner thereof.

Liability for
Damages

Article 14. Whenever any liability is incurred by either of the parties or both for damages resulting from injury to the employees or for damage to the property of either party, or for injuries to other persons or property, arising out of the joint use/ownership of poles, anchors or guys whether or not jointly owned, or due to the proximity of the wires and fixtures of the parties attached to jointly used poles, anchors, or guys, the liability for such damage, as between the parties hereto, shall be as follows:

- (a) Each party shall be liable for injuries to persons other than its own employees or for damage to property other than its own caused in whole or in part by its negligence, or by its failure to comply at any time with the specifications referred to in Article 5 of this Agreement, or by its failure to perform its obligations hereunder, when so caused without any negligence or any such failure by the other party. The party that is liable agrees to indemnify, hold harmless and defend the other party on account thereof.

- (b) Each party shall be liable for all damages for injuries to its employees or damage to its property caused solely by its negligence or by its failure to comply with the specifications referred to in Article 5 of this Agreement or by its failure to perform its obligations hereunder or caused by the concurrent negligence or failure of both parties and agrees to indemnify, save harmless and defend the other party on account thereof. When either party hereto, or its insurer, shall make any payments to an employee or to his relatives or representatives on account of an injury caused in a manner described in this Article, in conformity with (1) the provisions of any workmen's compensation act or any act creating a liability in the employer to pay compensation for personal injury to an employee by accident arising out of or in the course of the employment whether based on negligence on the part of the employer or not or (2) any plan for employee's disability benefits or death benefits now established or hereafter adopted by the parties hereto or either of them, such payments shall be construed to be damages within the terms of this paragraph.
- (c) In the case of damages resulting from injuries to persons other than employees of either party, or from damage to property not belonging to either party that are caused in part by each party, whether through such party's negligence or through its failure to comply with the specifications referred to in Article 5 of this Agreement or by its failure to perform its obligations hereunder or are due to causes which cannot be traced solely to the sole negligence of one party or failure of one party to comply with said specifications or perform its obligations hereunder, each party shall be liable for said damages in proportion to the amount of negligence attributable to it and each party shall indemnify, hold harmless and defend the other party for its proportionate share of said damages.
- (d) Where the claimant desires to settle any such claim upon terms acceptable to one of the parties hereto but not to the other, the party to which said terms are acceptable may, at its election pay to the other party one-half (1/2) of the expense which such settlement would involve and thereupon said other party shall be bound to indemnify, save harmless and defend the party making such payment from all further liability and expense on account of such claim or in any way connected herewith.

Where a jointly used pole is to be replaced or abandoned and one of the parties has removed all its construction from the old pole, it shall notify the other party thereof in writing. If the other party fails to remove its attachments from the old pole or fails to remove the old pole within sixty (60) days from the receipt of such notice, it shall become solely

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responsible for said pole, and shall be solely liable for injury to persons not in the employ of either of the parties hereto, or of their contractors, and for damage to property not belonging to either of the parties hereto, if such injury of damage occurs after the end of the 60 days.

Liability and Damages Jointly Owned but not Jointly Used

Article 15. Whenever any liability is incurred by either party or both for damages for injuries to the employees or damage to the property of either party or for injury or damage to other persons or their property arising out of the use of poles, anchors, or guys jointly owned but not jointly used, the liability for such damages, as between the parties hereto, shall be as follows:

The party using the poles, anchors, or guys agrees to indemnify, save harmless and defend the party not using the poles, anchors or guys from any liability in connection herewith, except liability arising out of the negligent erection or maintenance thereof by the party claiming indemnity and liability arising out of the location thereof.

Contractors Engaged By Either Party

Article 16. All contractors and their employees engaged by either party to do any work in connection with jointly used poles or attachments thereon shall, as between the parties hereto only and not for the benefit of any third party, be considered the agent of the party employing them.

Default

Article 17. Whenever either party is in default with respect to any work that is its responsibility under this Agreement and has not cured the default within 60 days after receipt of written notice thereof from the other party, the other party may have such work performed and shall be reimbursed promptly for all its costs by the defaulting party.

Term of Agreement

Article 18. This Agreement shall take effect upon the day and year first above written and shall be in effect for an initial period of two years from the effective date and shall continue thereafter until terminated by either party by giving not less than one year's notice in writing to the other party, provided however, that the provision of this Agreement relating to poles jointly owned shall nevertheless continue in full force and effect as to such poles until joint ownership thereof is terminated.

Waiver of Portions of Agreement

Article 19. The failure of either party to enforce or insist upon compliance with any of the terms or conditions of this Agreement, or its waiver of the same in any instance or instances, shall not be construed to be a general waiver or relinquishment of any of such terms or conditions, but the same shall be and remain at all times in full force and effect.

Ownership of Poles, Guys and Anchors

Article 20. Title to poles shall be determined as follows, and in each case one-half undivided interest as tenant in common shall pass from the party erecting the pole to the other party:

- (a) With respect to any existing pole that the parties have installed prior to the effective date hereof and determined is to be jointly owned, but for which the addendum has not been completely processed, title shall pass, or be considered to have passed, upon payment of the bill relating to the pole.
- (b) With respect to poles that are installed after the effective date of this Agreement and that the parties shall have determined are to be jointly owned, title shall pass upon the completion of the work of setting the pole in place.
- (c) With respect to solely-owned poles that are now in existence or that are installed in the future and are subsequently determined should be jointly owned, title shall pass upon payment of the bill.
- (d) With respect to poles that were previously jointly owned by one of the parties hereto and a third party whose interest has been acquired by the other party hereto, and that are not covered by any addendum between the parties hereto, it is hereby agreed that each party has held and now holds a one-half undivided interest therein as tenant in common.
- (e) With respect to jointly owned poles that one party desires to abandon pursuant to this Agreement, title shall pass from the party terminating its interest to the remaining party upon the completion of the removal of all the attachments of the party that is terminating its ownership.
- (f) When a pole is removed from service and both parties have determined to abandon it, the last party to remove its attachments shall sell or otherwise dispose of the pole and for that purpose each party hereby grants to the other the right to convey its interest to any third party or parties.
- (g) Reference to “poles” in this Article 20 shall be considered to include both poles and anchors.

Cancellation of Existing Agreement

Article 21. The Agreement dated October 15, 1976, between the parties including supplements and amendments thereto, relating to jointly owned and jointly used poles, guys, and anchors heretofore entered into between the parties to this Agreement within the territory covered by this Agreement is hereby terminated as of the effective date of this Agreement except as to liabilities already accrued and all of the poles covered under that agreement are hereby brought under this Agreement and hereafter shall be subject to the terms and conditions hereof.

Establishing
Joint Use

Article 22. If, in specific situations, joint ownership in accordance with the provisions of the Agreement is unattractive to one of the parties, even though joint ownership may be desirable or economical from the overall standpoint, nothing herein shall preclude the establishment of joint use on such terms or such basis (including a rental basis in lieu of joint ownership) as may be agreed upon in writing by designated representatives of the parties hereto.

Rentals

Article 23. (a) Except as provided in Section (b) of this Article, the rentals due from either party to the other, shall be based on the equitable sharing of the economies of joint use and shall be computed at the rate of \$19.64 per annum to be paid by the Electric Company for each jointly used pole owned by the Telephone Company and \$19.64 per annum to be paid by the Telephone Company for each jointly used pole owned by the Electric Company.

- (b) No rental shall be paid by the Licensee for the use of any pole of the Owner where such use consists only in attaching thereto guy strand of the License for the purpose of providing support and not for the purpose of supporting the said wires or cables.
- (c) Rental payments hereunder shall cover rentals accruing during the calendar year and shall be based on the number of poles on which space is occupied or reserved on the first day of September of the year in which the rentals accrue. Within ninety (90) days following such date, each party shall submit a written statement to the other party giving the number of poles on which space was occupied by, or reserved for the other party, as of such date. The party in whose favor there is a balance shall then render a bill for the net difference to the other party. Rental payments shall be made within thirty (30) days of the receipt of such statement. An annual joint field check will be made of attachments in accordance with the current operating practice. In the event this is not done and unauthorized attachments are found rental will apply for these attachments from the year following the year in which the last field check was made of the particular area. However, if the Licensee can show to the Owner's satisfaction when the attachment was placed rental will apply from that date.

Notices;
Designated
Representatives

Article 24. (a) Notices under this Agreement shall be sent by mail, postage prepaid, to the parties at the following addresses or to such other address as either party may, from time to time, designate in writing:

Northern New England Telephone Operations LLC
d/b/a Fairpoint communications – NNE
521 East Morehead Street
Suite 250
Charlotte, North Carolina 28202

Public Service Company of New Hampshire
780 North Commercial Street
Manchester, New Hampshire 03101

(b) The designated representatives of the parties at the effective date of this Agreement are the following:

Erin Austin – Vice President – Network Engineering
Northern New England Telephone Operations LLC
d/b/a Fairpoint Communication - NNE

David Bickford, Director – Customer Operations
Public Service Company of New Hampshire

IN WITNESS WHEREOF, each party has caused this Agreement to be signed in its name and its corporate seal to be affixed by an officer thereunto duly authorized as of the day and year first above written.

NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC
d/b/a FAIRPOINT COMMUNICATIONS - NNE

By 
VP - Network Engineering

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By 

**INTERCOMPANY OPERATING PROCEDURES BETWEEN
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

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Schedule A

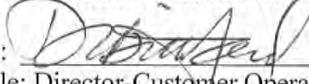
Date: Sept. 1, 2011

**INTERCOMPANY OPERATING PROCEDURES BETWEEN
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

	<u>Dated</u>
Work on Joint Poles	Sept. 1, 2011
Communications, Coordination & Dispute Resolution	Sept. 1, 2011
Construction and Joint Ownership of New or Existing Poles and Anchors	Sept. 1, 2011
Joint Poles – Allocation of Space	Sept. 1, 2011
Custody and Maintenance of Jointly Owned Poles and Anchors	Sept. 1, 2011
Guys and Anchors	Sept. 1, 2011
Inspection and Treatment of Standing Poles	Sept. 1, 2011
Joint Tree Trimming Agreement	Sept. 1, 2011
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Exchange of Notice Procedure	Sept. 1, 2011
Removal of Joint Poles	Sept. 1,
2011	
Flat Rate Billing	Sept. 1, 2011
Pole Accident and Other Third Party Pole Billing	Sept. 1, 2011
Rights-of-Way, Easements and Licenses	Sept. 1, 2011
Unauthorized Attachments	Sept. 1, 2011
Pushbraces	Sept. 1, 2011
Monthly Net Billing Procedure	Sept. 1, 2011
Joint Use Agreement for Poles and Facilities in the Former Pease Air Force Base	Sept. 1, 2011
Emergency Response	Sept. 1, 2011
Existing Joint Use Rental Poles and Rental Methodology	Sept. 1, 2011

This schedule "A" replaces and supersedes the schedule "A" incorporated as part of the October 1, 1994, Agreement between the Parties, and replaces and supersedes the Intercompany Operating Procedures of the October 1, 1994 agreement.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 8/18/11
Title: Vice President – Network Engineering

INTERCOMPANY OPERATING PROCEDURE

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #1 - WORK ON JOINT POLES

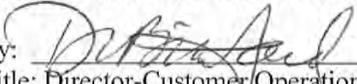
EFFECTIVE September 1, 2011

Each Company shall place and maintain its own attachments in accordance with the requirements of the National Electrical Safety Code and other applicable codes.

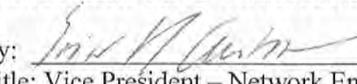
This IOP is issued to emphasize the need to observe this requirement on the part of both companies; each company shall perform its work promptly and in such a manner as not to interfere with the service of the other company. As examples; the placing and tensioning of telephone cable strand, if not done properly, might cause the tops of jointly occupied poles to move thereby creating a problem with Public Service wire ties; the placing and tensioning of electric conductors and tensioning of guy strands, if not done properly, might cause telephone guy strands to become slack.

The construction methods employed by each company must take into account what effect they could have on the other company's facilities. To further this goal, it is agreed that each company will compensate the other company for remedial work that was caused through negligent or non-standard work practices by the other company. This would not include circumstances beyond the control of the company, ex., act of God, equipment failure or force majeure. Remedial work invoicing will not take place until the incident is reviewed between the respective managers or management level employees representing both companies.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 8/12/11
Title: Vice President - Network Engineering

INTERCOMPANY OPERATING PROCEDURE

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #2 - COMMUNICATIONS, COORDINATION & DISPUTE RESOLUTION

EFFECTIVE September 1, 2011

Communication and Coordination

PSNH and FairPoint shall each designate an employee to serve as a Joint Pole Coordinator. The Joint Pole Coordinators shall meet monthly during the first year after the Merger and the first year of the term of the new Joint Ownership Agreement (JOA) and at least quarterly thereafter to discuss joint pole operations and procedures, budget issues and general methods of improving joint pole administration. The Joint Pole Coordinators shall also be responsible for maintaining contact information relating to other relevant stakeholders including but not limited to representatives of parties with pole attachments, municipal and state officials, emergency response personnel, etc.

PSNH and FairPoint shall each designate a senior management representative with ultimate responsibility for joint pole operations. Issues arising under the JOA that cannot be resolved at the Joint Pole Coordinator level shall be escalated to the senior management representatives. The senior management representatives shall discuss the disputed issue(s) within ten (10) business days after such issues have been raised by one or both Joint Pole Coordinators. The senior management representatives shall resolve the matter within thirty (30) days from the date when the disputed issue(s) is brought to their attention. Failure to reach agreement at this senior management level shall allow one or both Parties to submit the dispute to the dispute resolution process prescribed below.

Resolution of Disputes

PSNH and FairPoint agree that all disputes not resolved at the senior management level, as described above shall be resolved as follows:

First, the Parties shall attempt to resolve the matter through mediation. Either Party may initiate mediation by notice in writing to the other Party. Within five business days following the receipt of such notice, the other Party will provide a list of three possible mediators. The Party requesting mediation will choose one mediator. Mediation will then be scheduled within 30 days. If mediation results in an agreed resolution, the resulting agreement shall be the final and binding resolution of the matter.

Second, if the matter is not resolved by mediation, the Parties may, by mutual agreement, submit the matter to arbitration. Arbitration will proceed by each Party selecting one representative to a three member arbitration panel. The selection will be communicated to the other Party within ten (10) days of the request for arbitration. Within fourteen (14) days, the two arbitrators will

INTERCOMPANY OPERATING PROCEDURE

then select a mutually agreeable individual to serve as the third member of the panel. Arbitration will be scheduled within thirty (30) days of the notice of the choice of the third arbitrator, unless a longer period is agreed to by both Parties. A final decision shall be made in writing, shall be based on a two-thirds vote of the panel members and shall constitute the final and binding resolution of the matter. The arbitration shall be heard in Concord, New Hampshire, unless the Parties agree otherwise.

Third, if the dispute is not resolved by mediation or submitted to arbitration, the Parties shall have all of their respective rights at law and in equity to resolve the matter before a court or regulatory agency having jurisdiction, including, without limitation, the Commission. PSNH and FairPoint agree that the Commission has jurisdiction over disputes arising out of this Memorandum of Understanding, the JOA and the IOP.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 8/18/11
Title: Vice President – Network Engineering

INTERCOMPANY OPERATING PROCEDURE

IOP #3

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

**IOP #3 - CONSTRUCTION AND JOINT OWNERSHIP OF NEW OR EXISTING POLES
AND ANCHORS**

EFFECTIVE September 1, 2011

The purpose of this Intercompany Operating Procedure is to attain better advance planning of new pole line construction, establish a notification time frame in which FairPoint notifies PSNH that it does not desire to participate in the joint ownership of the new poles, to divide new pole work more equally between companies and to restrict the purchase of poles on an individual basis. Because of the mutual advantages to be gained by the companies through joint planning and construction of new lines, it shall be the general policy of the companies to construct new pole lines as jointly owned lines in cases where it appears reasonable that both companies will use the line within three (3) years from the date of construction. This policy shall not, however, be deemed to require the construction of joint pole lines where the company first having a requirement for new poles desires to construct the line and exclude the other from joint ownership, or where the party not having received a service request does not wish to participate in the ownership of a joint pole line. In order to carry out this policy, the companies agree to the following provisions:

1. a. When it has been determined by one company that new poles are required that company shall so communicate its need to the other company as soon as practicable.
- b. Any decisions arrived through joint coordination shall be documented, in a timely manner by an Exchange of Notice form as outlined in IOP #10.
- c. Normally, within 30 days from the date of receipt of the written notification, the second company shall notify the initiating company whether or not it desires to have the new line constructed as a joint pole line. The 30 day time frame will not apply to service related pole(s) required to provide facilities as requested by a customer.
- d. For a service related pole request FairPoint will notify PSNH via e-mail that it does not desire to participate in the joint ownership of the new poles within fifteen days. In this case, the ownership, installation and maintenance of the poles shall be entirely the responsibility of PSNH without regard to maintenance area. If FairPoint does not notify it's intent to PSNH within 15 days the ownership, installation and maintenance of the new poles will default to be entirely the responsibility of PSNH without regard to maintenance area.
- e. For service related pole requests PSNH and FairPoint shall schedule joint pole sets to be accomplished, on average, not later than the date the customer has requested

INTERCOMPANY OPERATING PROCEDURE

IOP #3

the installation to be completed, which shall be no shorter than 15 days for small jobs (not more than 3 pole sets) or no shorter than 30 days for large jobs after the date that all pre-payments have been made and all necessary property rights and governmental permits have been obtained. The time frames set forth in this paragraph shall not apply to major highway construction, which shall be planned in advance and implemented in accordance with such plans.

- f. The Party performing the pole set shall also perform the construction trimming necessary to accommodate telecom, electric and attaching party facilities.
- 2. PSNH and FairPoint shall work cooperatively to arrange the scheduling of pole replacements required for highway construction. PSNH and FairPoint shall participate in meetings of the New Hampshire Department of Transportation and municipal public works officials to coordinate and schedule relocation work thereby committing the necessary resources to meet the agreed upon schedules. The Parties understand and agree that the relocation schedule includes the removal of double poles once facilities of the joint owners and third party attachees have been removed.

3. It is the intent of this practice that each company shall construct all new joint pole lines within its designated maintenance area.

4. **Pole Suitable For Joint Ownership**

If the pole is suitable for joint use, the company desiring the Joint Ownership shall acquire it by paying the owner in accordance with the latest edition of the Reciprocal Flat Rate Billing Schedule. Within 3 years of the construction of jointly owned pole(s), the company which does not have attachments on the pole(s) but has previously agreed to joint ownership under the terms of this agreement, may arrange to sell to the other joint owner its remaining interest in the pole(s) and anchor(s) and recover its trimming expense incurred at the time of pole placement according to the following schedule:

	<u>Yr. 1</u>	<u>Yr. 2</u>	<u>Yr. 3</u>	<u>Thereafter</u>
Pole & anchor	flat rate	flat rate	flat rate	flat rate
Trimming costs	full expense	2/3 expense	1/3 expense	no recovery

5. **Pole Not Suitable For Joint Use**

If within three (3) years the company that refused the initial construction request wishes the line to now be reconstructed so that it is suitable for joint occupancy, on receipt of proof of its refusal to participate in joint ownership at the time of construction the second company shall be obligated to pay the first company:

- a. The full flat rate cost of the poles and anchors to be replaced.
- b. The full cost of the first company's transfer and rearrangement work.

INTERCOMPANY OPERATING PROCEDURE

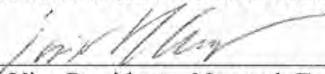
IOP #3

- c. The full cost of any additional trimming necessary to provide the same amount of line clearances that existed just prior to the premature pole replacement.
- d. Its share of the flat rate cost of the new poles and anchors placed as outlined in the then current Intercompany Operating Procedure Flat Rate Billing.
- e. If there is no proof of refusal by either company to participate in joint ownership at the time of construction the second company shall be obligated to pay the first company only:
 - (1) Its share of the flat rate cost of new poles and anchors placed as outlined in the then current Intercompany Operating Procedure on Flat Rate Billing.
- 6. It is mutually agreed by both companies that the setting company may install solely owned poles and anchors of the other company where such poles and anchors are part of a mutually agreed job and the pole line is jointly owned by both companies. The request with the location desired must be identified in the field or prior to performing the work. The setting company will bill the owner of the pole the full flat rate billing for poles and anchors set.
- 7. It is agreed the construction practices using the boxing of poles or the use of extension brackets will not be the normal work practice of either joint pole owner. Boxing may be permitted when agreed to by the joint pole owners. When such boxing is agreed to it shall be safely accessible by bucket trucks, ladders or emergency equipment and otherwise consistent with the requirements of applicable codes including the National Electrical Safety Code. Joint pole owners shall allow limited, reasonable use of extension arms for purposes of clearing obstacles or improving alignment of attachment facilities. Under no circumstances may extension arms be used to avoid tree trimming requirements. Any use of extension arms shall be consistent with the requirements of applicable codes, including the National Electrical Safety Code.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 8/18/11
Title: Vice President - Network Engineering

INTERCOMPANY OPERATING PROCEDURE

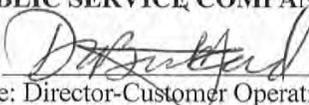
**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #4 - JOINT POLES - ALLOCATION OF SPACE

EFFECTIVE September 1, 2011

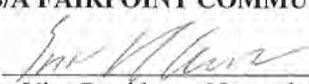
1. Minimum pole height for joint poles will be forty (40) feet, Class 3. It is further agreed that the standard work practice would be to not exceed a fifty (50) foot, Class 3 pole.
2. Use of thirty-five foot and smaller poles for stub poles, private property poles, etc., will be by mutual agreement of the joint owners.
3. Additional height on existing poles may be purchased for sole use by either utility, based on the Flat Rate Reciprocal Billing Agreement. Additional height purchased by a utility shall be noted in both Company's pole records.
4. Replacement of poles will require that utilities jointly review current space and height requirements. Billing will be based upon these requirements.
5. Joint pole space allocation will be as described in **Joint Pole Space Allocation Sheet**.
6. **CLEARANCES** - Minimum vertical clearances of communications conductors are shown on **attachments A and B**.
7. Mutual excess height requirements for joint owners resulting from requirements for additional ground clearance such as railroad and railroad crossings shall be mutually agreed upon to achieve minimum clearance in the best interest of both owners.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By 
Title: Director-Customer Operations

Date: 8/30/11

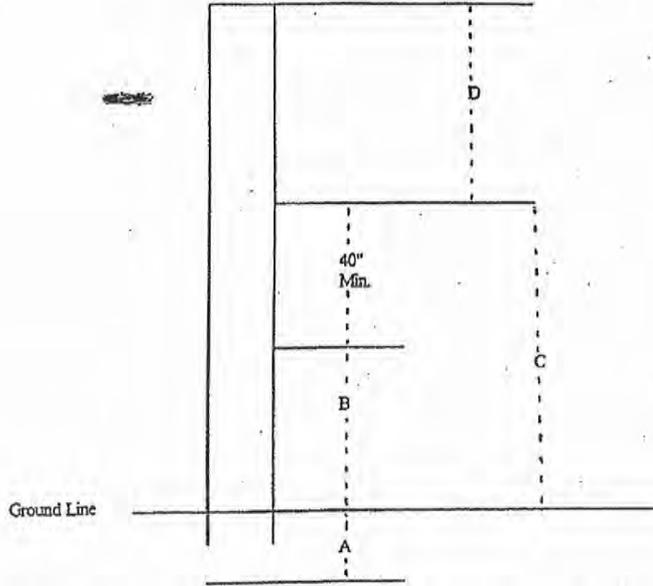
**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By 
Title: Vice President - Network Engineering

Date: 8/18/11

INTERCOMPANY OPERATING PROCEDURE

JOINT POLE SPACE ALLOCATION



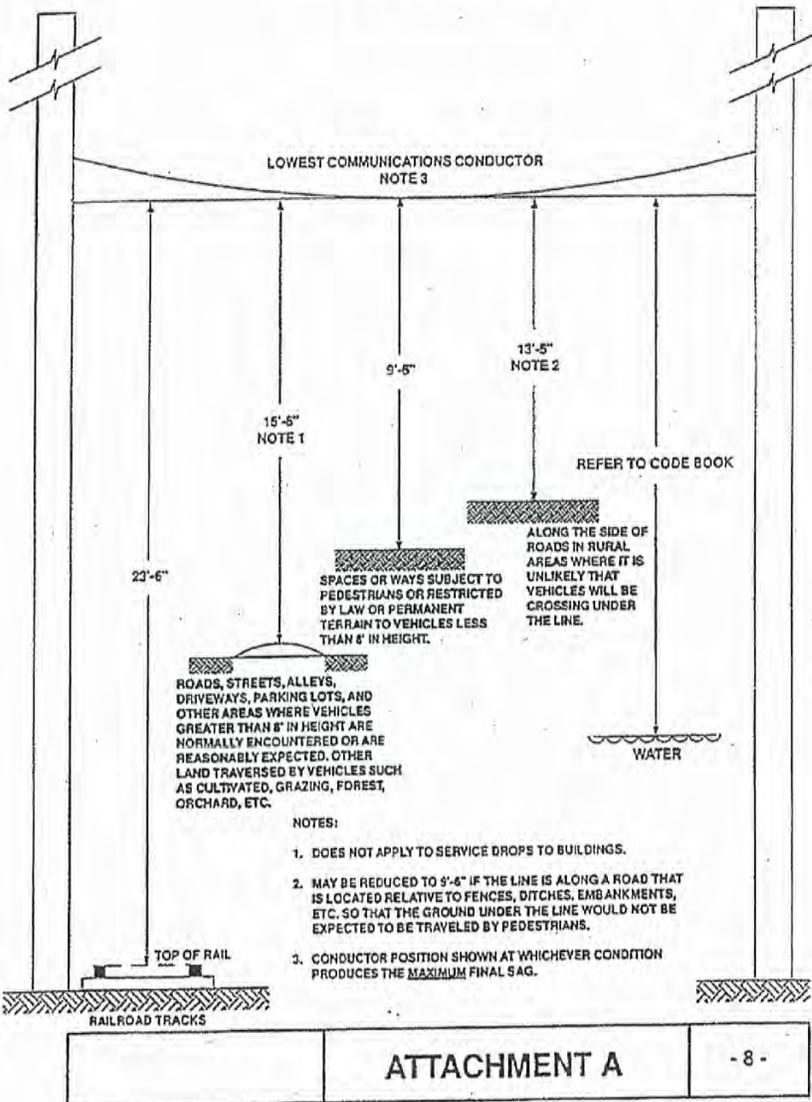
Pole Length	Pole Ownership Elec/Comm. Note 1	A Normal Setting Depths Note 2	B Communication Max/Height Note 3	C Electric Minimum Height Note 3	D Electric Maximum Space Note 3
35	35/35	6'-0"	21'-2"	24'-6"	4'-6"
40	40/40	6'-0"	23'-8"	27'-0"	7'-0"
40	40/35	6'-0"	21'-2"	24'-6"	9'-6"
40	35/40	6'-0"	26'-2"	29'-6"	4'-6"
45	40/45	6'-6"	28'-2"	31'-6"	7'-0"
45	45/45	6'-6"	25'-11"	29'-3"	9'-3"
45	45/40	6'-6"	23'-8"	27'-0"	11'-6"
45	45/35	6'-6"	21'-2"	24'-6"	14'-0"
50	45/50	7'-0"	30'-5"	33'-9"	9'-3"
50	50/50	7'-0"	28'-2"	31'-6"	11'-6"
50	50/45	7'-0"	25'-11"	29'-3"	13'-9"
50	50/40	7'-0"	23'-8"	27'-0"	16'-0"
50	50/35	7'-0"	21'-2"	24'-6"	18'-6"

1. The minimum pole setting depth is as defined in the NESC.
2. Dimensions B, C, or D may be adjusted by mutual agreement between the joint owners to avoid a pole change out if the field and code conditions permit.
3. Space shall be made available for authorized 3rd party attachees through equal contribution by each owner whenever engineering standards allow 45/40 indicates a 45' pole however FairPoint pays for and occupies the space as if it were a 40' joint pole. 40/45 indicates a 45' pole where PSNH pays for and occupies space as if it were a 40' joint pole.

INTERCOMPANY OPERATING PROCEDURE

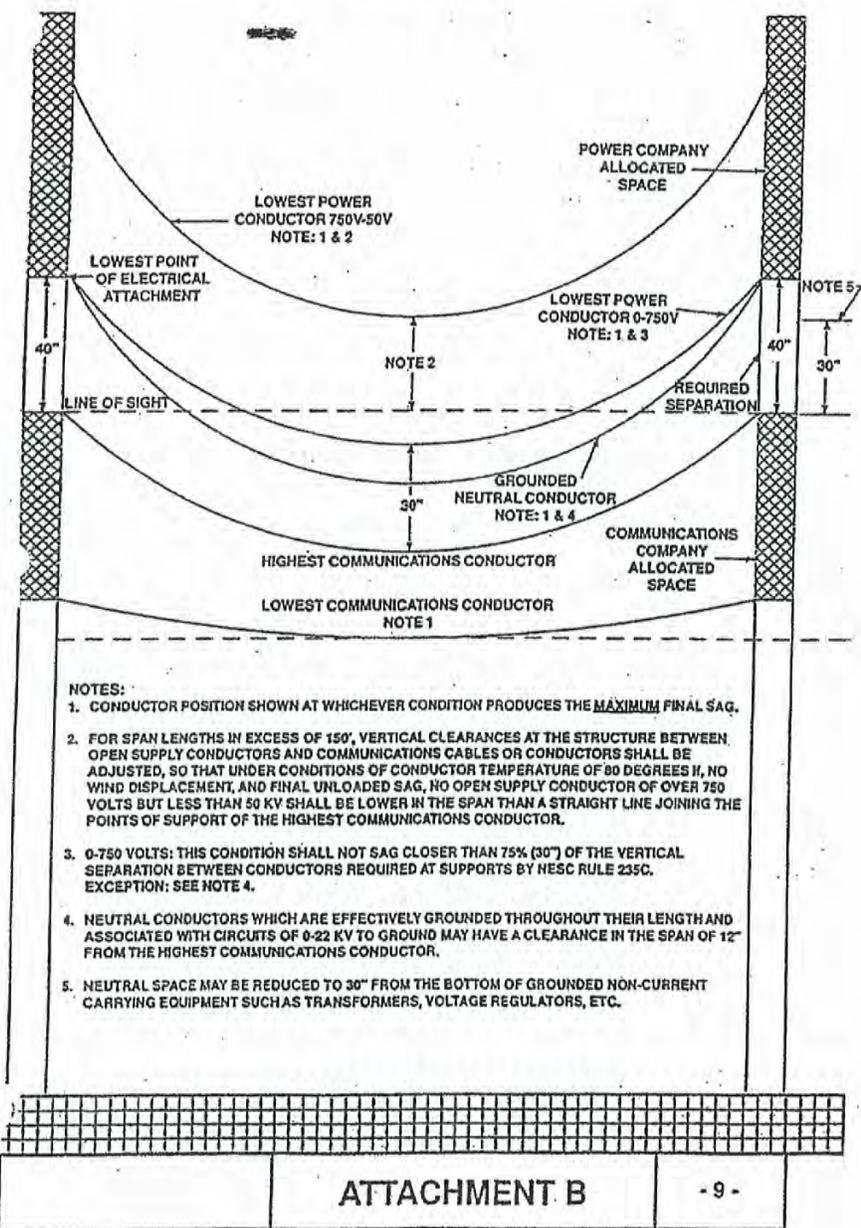
POLE LINES BASED ON NESC RULES
 232 & 235

CLEARANCES DETERMINED BY
 NESC RULE 232 TABLE 232-1



INTERCOMPANY OPERATING PROCEDURE

POLE LINES BASED ON NESC RULES
232 & 235



INTERCOMPANY OPERATING PROCEDURE

IOP #5

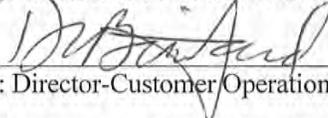
**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

**IOP #5 - CUSTODY AND MAINTENANCE OF JOINTLY OWNED POLES AND
ANCHORS**

EFFECTIVE September 1, 2011

1. Custodianship of jointly owned poles and anchors shall be as indicated in the attached list of municipalities showing the maintenance areas assigned to each party.
2. The maintaining company shall inspect and maintain all poles and anchors in its custody to assure that they are in a safe and serviceable condition in accordance with the provisions of **Article 5** of the Agreement, the expense thereof to be proportioned between the parties hereto in accordance with the division of ownership except as otherwise expressly provided.
3. The maintaining company shall notify the joint owner and replace such poles as become defective or are of insufficient size and strength for existing or proposed attachments, and the cost thereof shall be borne as provided in the Intercompany Operating Flat Rate Billing Schedule.
4. Upon notice in writing, it shall be the duty of the maintaining company to replace promptly any pole that may be considered unsafe by the party, and if the maintaining company does not do so within a reasonable time, the other party may replace said pole and the custodian shall be billed the full flat rate.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By  Date: 8/18/11
Title: Vice President - Network Engineering

INTERCOMPANY OPERATING PROCEDURE

IOP #5

CUSTODY AND MAINTENANCE OF JOINTLY OWNED POLES AND ANCHORS

FAIRPOINT MAINTENANCE

PSNH MAINTENANCE

Albany
Alexandria
Atkinson
Barrington
Bath
Bedford
Belmont
Bethlehem
Bow
Brookline
Candia
Canterbury
Charlestown
Claremont
Concord
Conway
Cornish
Croydon
Danbury
Deering
Dublin
Dummer
Dunbarton
Durham
Enfield
Epping
Errol
Francestown
Franconia
Gilford
Gilmanton
Goffstown
Gorham
Grafton
Grantham
Greenland
Hampstead
Hancock
Hanover
Harrisville
Hebron

Allenstown
Alstead
Amherst
Andover
Antrim
Ashland
Auburn
Barnstead
Bennington
Berlin
Bradford
Brentwood
Bridgewater
Bristol
Brookfield
Cambridge
Campton
Carroll
Chester
Chesterfield
Chichester
Clarksville
Colebrook
Columbia
Dalton
Danville
Deerfield
Derry
Dover
Easton
Eaton
Effingham
Epsom
Farmington
Fitzwilliam
Franklin
Freedom
Fremont
Gilsum
Goshen
Greenfield

INTERCOMPANY OPERATING PROCEDURE

IOP #5

CUSTODY AND MAINTENANCE OF JOINTLY OWNED POLES AND ANCHORS

FAIRPOINT MAINTENANCE

PSNH MAINTENANCE

Hill	Greens Grant
Hooksett West of Merrimack River	Greenville
Hudson	Hampton
Jaffrey	Haverhill
Kecene	Henniker
Lancaster	Hillsborough
Littleton	Hinsdale
Londonderry	Hollis
Loudon	Hooksett East of Merrimack River
Lyman	Hopkinton
Lyme	Jefferson
Manchester West of Merrimack River	Laconia
Mason	Landaff
Madbury	Lee
Milan	Lempster
Milford	Lisbon
Nashua	Litchfield
New Boston	Lyndeboro
New Castle	Madison
Newfields	Manchester East of Merrimack River
Newington	Marlborough
New Ipswich	Marlow
Northfield	Martins Location
Northwood	Meredith
Nottingham	Merrimack
Orange	Middleton
Pelham	Millsfield
Pembroke	Milton
Pittsburg	Mont Vernon
Randolph	Nashua South of Nashua River
Rochester	Nelson
Rye	Newbury
Sanbornton	New Durham
Sandown	New Hampton
Sandwich	New London
Shelburne	Newmarket
Somersworth	Newport
Springfield	North Hampton
Stark	Northumberland

INTERCOMPANY OPERATING PROCEDURE

IOP #5

CUSTODY AND MAINTENANCE OF JOINTLY OWNED POLES AND ANCHORS

FAIRPOINT MAINTENANCE

PSNH MAINTENANCE

Strafford
Stratham
Swanzy
Tamworth
Tilton
Troy
Warner
Weare
Wentworth Location
Wilmot
Winchester
Windham

Orford
Ossipee
Peterborough
Piermont
Pinkhams Grant
Pittsfield
Plainfield
Portsmouth
Raymond
Richmond
Rindge
Rollinsford
Roxbury
Salisbury
Sharon
Stewartstown
Stoddard
Stratford
Sugar Hill
Sullivan
Sunapee
Surry
Sutton
Temple
Thornton
Tuftonboro
Unity
Wakefield
Westmoreland
Whitefield
Wilton

INTERCOMPANY OPERATING PROCEDURE

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

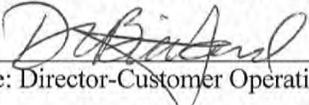
IOP #6 - GUYS AND ANCHORS

EFFECTIVE September 1, 2011

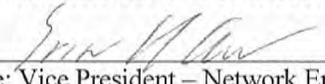
1. All jointly occupied line poles and solely occupied line poles that will be jointly occupied at a later date shall be guyed and anchored to hold the combined load of both companies and any other 3rd party attachments, in accordance with the provisions of **Article 5** of this agreement.
2. On jointly occupied line poles each Company shall, unless mutually agreed otherwise, place guy strands to hold its plant. Each company shall determine the size of its own guy strand in accordance with its own practices. There shall be no jointly owned guy strands. All required anchors will be placed by the maintaining Company with no billing to the joint owner.
3. When guying is required by both Companies, the proper size triple thimble rod(s) and anchor(s) to hold the combined loads of both Companies shall be placed by the maintaining company.
4. A 10" power installed screw anchor and 1" triple thimble rod will be minimum standard for both companies.
5. On service poles, when guying is not required by the maintaining Company, but is required by the other Company, or separate anchors are required, the maintaining Company shall place anchors for the other Company, if the location desired is identified in the field or on a plan prior to performing the work. Billing will be in accordance with the Flat Rate Billing Schedule in effect at that time.
6. When existing line poles are to become jointly occupied and the existing anchors are determined to be suitable for the combined loads of both Companies, such anchors will be made jointly owned in accordance with the terms of the then current Intercompany Operating Procedure on Construction and Joint Ownership of New or Existing Poles and Anchors. Guy rod adapters will not be used under any circumstances.
7. If the rod will not accommodate another guy strand, an additional rod and anchor must be installed to accommodate the additional guy strand. When placing additional facilities on existing jointly occupied line poles, the Company doing so will place any additional anchors required, because of its additional attachments.

INTERCOMPANY OPERATING PROCEDURE

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By  Date: 5/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By  Date: 9/8/11
Title: Vice President – Network Engineering

INTERCOMPANY OPERATING PROCEDURE

IOP #7

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

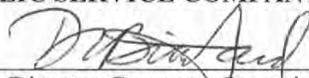
IOP #7 - INSPECTION AND TREATMENT OF STANDING POLES

EFFECTIVE September 1, 2011

The purpose of this intercompany operating procedure is to provide a uniform practice by both Companies for the inspection and treatment of jointly-owned poles in order to lengthen the life of pole plant and obtain mutual benefits for each Company.

1. All joint poles shall be inspected initially at or before the age of 20 years. Poles shall be re-inspected at a maximum of 10 year intervals thereafter.
2. Each Company shall be responsible for the inspection and treatment of all jointly-owned poles within their respective maintenance areas. Within each maintenance area all such poles shall be inspected, treated, reinforced or replaced in accordance with that respective Company's standards, specifications or procedures. Inspection and treatment may be performed by Company employees or authorized agents or contractors.
3. The cost of inspection and treatment shall be born individually by each Company for their respective maintenance areas.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 8/19/11
Title: Vice President - Network Engineering

INTERCOMPANY OPERATING PROCEDURE

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #8 - JOINT TREE TRIMMING AGREEMENT

EFFECTIVE September 1, 2011

The purpose of this Intercompany Operating Procedure is to establish a definite method of allocating the costs of trimming and any related basal ground spraying of tree and brush stumps associated with the construction and maintenance of a joint pole line.

1. Maintenance Trimming

- a. Maintenance trimming shall be done on a joint basis with the division of costs as follows: Where PSNH and FairPoint agree that the trimming benefits both parties, FairPoint will contribute 25% of the trimming costs and PSNH will contribute 75%, where the parties are unable to agree on a trimming plan, FairPoint will contribute 15% and PSNH will contribute 85%. For efficiency in administration, it is mutually agreed that maintenance trimming costs will be shared with PSNH paying 80% and FairPoint paying 20%. (see attachment #1) This division of cost sharing is based on joint field sampling of actual trimming. (Based on that sampling it was agreed by PSNH and FairPoint that 50% of the trimming was a benefit to both parties at a FairPoint reimbursement rate to PSNH of 25% and 50% of the trimming was to be reimbursed by FairPoint at a rate of 15 %.) Prior to the beginning of the following year's annual maintenance trimming cycle PSNH shall provide to FairPoint, its anticipated budgeted dollar amount for the areas shared with both parties. In no year shall the trimming plan involve more than 20% of the electric company's miles of lines. PSNH shall notify FairPoint in the event that this estimate is expected to exceed the annual budgeted amount by greater than 2%. Subsequently, both parties shall mutually agree to negotiate an equitable payment arrangement for the completed work for the amount greater than 2%. It is further agreed that PSNH will provide quarterly reports to FairPoint in an attempt to better communicate the annual progression of costs associated with trimming.
- b. Cost sharing for mid-cycle reliability or service improvement projects shall be done in a coordinated manner via the Exchange of Notice Form 605a. The division of costs for approved joint projects shall be PSNH paying 80% and FairPoint paying 20% (see explanation in paragraph a). Invoicing shall include a description of the nature of the work to distinguish it from normal maintenance cycle trimming. (see attachment #1)
- c. Heavy storm work such as hurricanes, wet snow, tornadoes and ice storms are handled without prior review. Both parties agree to a 50/50 basis for sharing costs for heavy storm work. Billing should include information regarding the cities/towns,

INTERCOMPANY OPERATING PROCEDURE

IOP #8

street and lines that were trimmed as a result of a heavy storm. The parties agree to reciprocal acceptance of each other's tree contractors for heavy storms.

- d. Removal of weakened or toppled trees and large limbs which threaten both parties' plant will be removed on a 50/50 basis. For scheduled hazard trimming prior to the beginning of the following years annual maintenance trimming cycle PSNH shall provide to FairPoint its anticipated budgeted dollar amount for the areas shared with both parties. PSNH shall notify FairPoint in the event that this estimate is expected to exceed the annual budgeted amount by greater than 2%. Subsequently, both parties shall mutually agree to negotiate an equitable payment arrangement for the completed work for the amount greater than 2%.

2. Construction Trimming

Trimming for addition, extension or reconstruction shall be surveyed in the field and a determination made whether both parties have a need. All construction trimming agreements will be performed via the Exchange of Notice Form 605a. The division of costs shall be: PSNH paying 60% and FairPoint paying 40%. (see attachment #2)

3. Ground Cutting

The cost of removal of roadside brush and small trees shall be done on a joint basis and borne at the same percentages as is stated in items 1 and 2 of this agreement.

4. Chemical Treatment

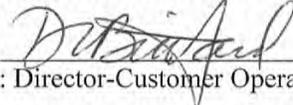
The cost of basal ground spraying of tree and brush stumps at the time of ground trimming and chemical treatment shall be borne at the same percentages as is stated in items 1 and 2 of this agreement.

5. Administration

- a. Each company will annually furnish the other company with a list of its approved trimming contractors.
- b. For construction trimming done by a contractor that is not on both companies' list of approved contractors, the constructing company will pay the full cost of the trimming bill and then bill the other company its share of the total cost. Such bill shall be accompanied by a copy of the contractor's bill.
- c. When construction trimming is done by mutually approved contractors, the contractor will bill each company separately for its share of the trimming costs. Bills rendered by the contractor to each company will show the total cost of the job and the percentage and cost billed to the other company.

INTERCOMPANY OPERATING PROCEDURE

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director-Customer Operations

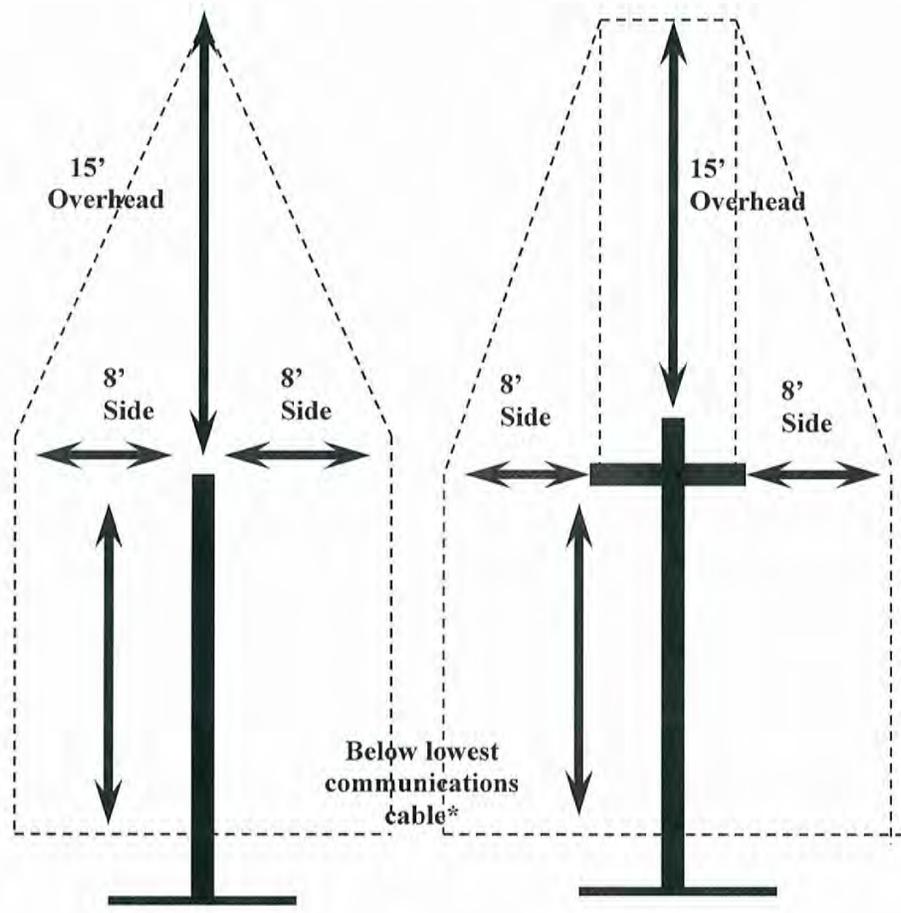
**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 9/10/11
Title: Vice President – Network Engineering

INTERCOMPANY OPERATING PROCEDURE

ATTACHMENT 1

MAINTENANCE TRIMMING



* Fast growing tree species under the lines are removed, when possible, rather than pruned. If necessary to prune, accepted arboricultural practices are to be used (i.e. No shelf trimming or hedging). Proper directional pruning cuts shall be made several feet below communications cables to encourage growth away from lines.

Division of Trimming Costs

PSNH = 80%

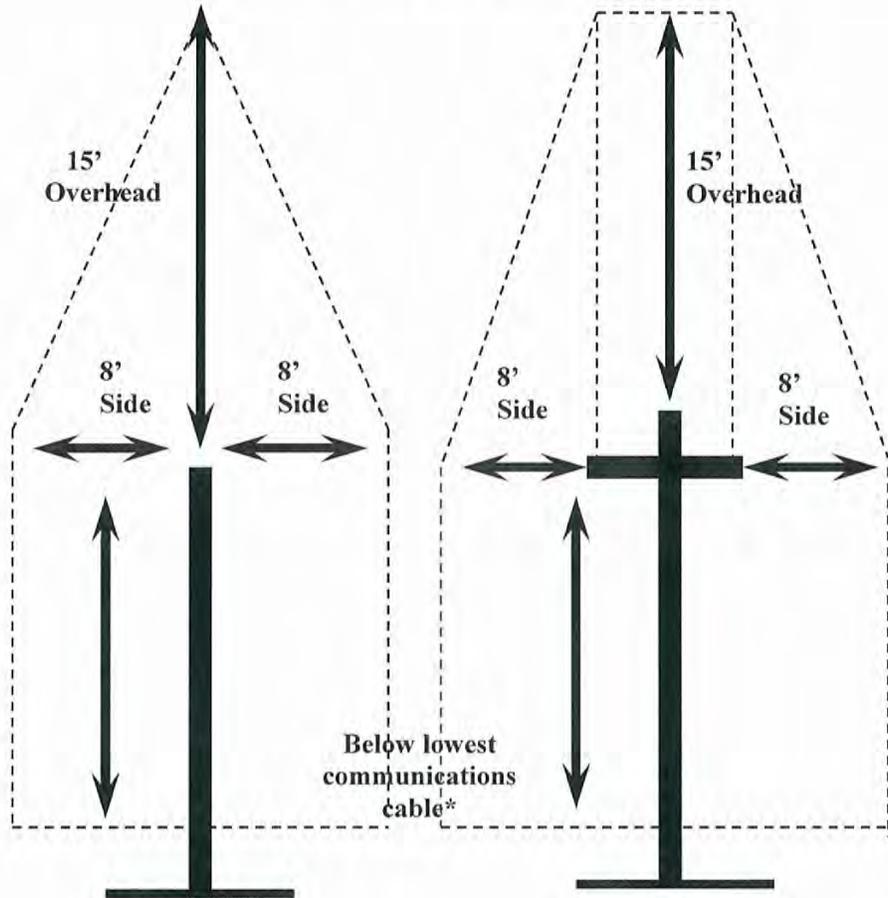
INTERCOMPANY OPERATING PROCEDURE

FairPoint = 20%

INTERCOMPANY OPERATING PROCEDURE

ATTACHMENT 2

CONSTRUCTION TRIMMING



* Fast growing tree species under the lines are removed, when possible, rather than pruned. . If necessary to prune, accepted arboricultural practices are to be used (i.e No shelf trimming or hedging). Proper directional pruning cuts shall be made several feet below communications cables to encourage growth away from lines.

Division of Trimming Costs

PSNH = 60%
FairPoint = 40%

INTERCOMPANY OPERATING PROCEDURE

IOP #9

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #9 - POLE (VERTICAL) GROUNDS AND BONDING

EFFECTIVE September 1, 2011

Pole (vertical) grounds and bonds between FairPoint cable strand and PSNH multi-grounded neutral will be provided as follows:

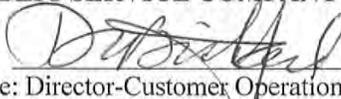
1. For the purpose of this Intercompany Operating Procedure, the following definitions will apply:
 - a. **Pole (vertical) grounds:** will consist of an 8' x 5/8" copperplate or galvanized ground rod or two 5' x 5/8" sectional copperplate or galvanized rods coupled together and driven as one rod, driven in the ground vertically, full length, except where rock bottom is encountered, at a point not less than 12 inches from the butt of the pole with head of the ground rod not less than 3 inches under the surface of the earth. A bare ground wire will be attached securely with static proof staples to the quarter of the pole away from the flow of traffic and covered with molding for a minimum of 8 feet above the earth's surface. Ground wires will have a minimum conductivity equivalent to #6 copper conductor and will be connected to the ground rod at one end and to PSNH's multi-grounded system neutral at the other end.
 - b. **Bond:** will have a minimum conductivity of #6 copper conductor connected to FairPoint cable strand or to its open wire, C rural wire or multiple wire protectors at one end and to PSNH multi-grounded system neutral, or to a vertical pole ground which in turn is connected to PSNH's multi-grounded system neutral, at the other end.
2. No intercompany billing is required with this Intercompany Operating Procedure.
3. **Pole grounds - new construction:** the two companies will coordinate their respective requirements for pole grounds. The Company installing the joint pole will also furnish and install pole grounds at such locations as required by both companies. FairPoint will normally require 4 grounds per mile of new line.
4. Pole grounds - existing poles:
 - a. When replacing an existing pole on which there is a pole ground, the Company setting the new pole will furnish and install a new pole ground except when mutually agreed that a ground is no longer required at that location.

INTERCOMPANY OPERATING PROCEDURE

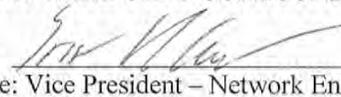
IOP #9

- b. When replacing an existing pole on which there is no pole ground, the Company setting the new pole will furnish and install a new pole ground, when required by either company if notified in advance.
- c. Any pole ground to be added to an existing pole will be installed by the Company requiring such ground.
5. Any pole grounds installed by FairPoint under 4b and 4c above will be extended to the top of FairPoint assigned space with sufficient length of conductor for connection to the PSNH multi-grounded system neutral.
6. In all cases, the connection of either a pole ground or a bonding conductor to PSNH's multi-grounded system neutral will be done by PSNH within sixty (60) days receipt of written notice.
7. If a vertical ground exists on the pole then a FairPoint Technician may bond to the vertical ground within the **communication** space on the pole.
8. The integral parts of a pole ground will be maintained by the Company that maintains the pole, except that PSNH will maintain all pole ground components above FairPoint space regardless of maintenance areas.
9. This Intercompany Operating Procedure is applicable to joint occupancy of pole lines supporting PSNH facilities in the 0 to 35 KV range only. Joint Occupancy with higher voltages, if encountered, will be subject to special construction.
10. In direct buried applications, PSNH will provide a #6 copper ground where available for use by FairPoint.
11. Butt plates are not acceptable for pole grounds.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 9/12/11
Title: Vice President - Network Engineering

INTERCOMPANY OPERATING PROCEDURE

IOP #10

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #10 - EXCHANGE OF NOTICE PROCEDURE

EFFECTIVE September 1, 2011

With the issuance of the various Intercompany Operating Procedures between FairPoint Communications and Public Service of New Hampshire, the **Joint Ownership - Exchange of Notice form 605A** exchanged between the two companies, is in effect a legal document indicating agreements reached between representatives of the two companies.

1. The party requesting the work to be performed or requesting Joint Ownership shall initiate the Joint Ownership - Exchange of Notice form 605A.
 - a. The Joint Ownership – Exchange of Notice form 605A shall be exchanged electronically between the companies.
 - b. The Joint Ownership – Exchange of Notice form 605A shall include the names of the authorized representatives that agreed to the work to be performed.
 - c. Specific notes or comments regarding the Joint Ownership – Exchange of Notice shall be included in the Notes/Comments section of Joint Ownership – Exchange of Notice form 605A.
 - d. Any changes, revisions or comments made by the receiving company shall be noted in the notes/comments section of the Joint Ownership – Exchange of Notice form 605A.
2. In the case where the work is of mutual need to both parties (i.e. road job) the Joint Ownership - Exchange of Notice form 605A shall be initiated by the custodian of the specified maintenance area.
3. Before the Joint Ownership - Exchange of Notice is written, contact must be made between representatives of each company to discuss the proposed work. This can be done by a telephone call and/or joint field survey.
4. The party initiating the work will issue to the other party the Joint Ownership – Exchange of Notice form 605A electronically.
5. The receiving party upon verification that the proposed work depicted on the Joint Ownership - Exchange of Notice form 605A is necessary and in agreement with previous agreed upon joint discussions and/or field survey(s) will return the notice signed within 30 days for the following type of work.:

INTERCOMPANY OPERATING PROCEDURE

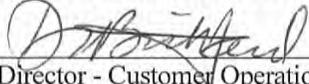
IOP #10

- | <u>Item</u> | <u>Nature of Notice or Request</u> |
|-------------|--|
| 1. | Application to purchase/sell interest in solely owned poles/anchors. |
| 2. | Application to sell interest in jointly owned poles/anchors. |
| 3. | Notice of intent to place new poles. |
| 4. | Notice of need to replace jointly owned poles/anchors. |
| 5. | Notice of need to relocate jointly owned poles/anchors. |
| 6. | Notice of intent to abandon poles/anchors. |
| 7. | Notice to increase or change voltage. |
| 8. | Notice of non-standard conditions. |
| 9. | Notice to custodian of pole in need of replacement. |
| 10. | Request to transfer. |
| 11. | Other |
| 12. | Future |
| 6. | If the Joint Ownership – Exchange of Notice form 605A is not acceptable to the receiving party, corrections shall be discussed between the representatives of the companies. The revised copy shall be returned to the originating party noting agreed to corrections within 30 days. <ol style="list-style-type: none">If the originating party agrees to corrections made on the notice by the receiving party, the Joint Ownership - Exchange of Notice for 605A will be processed.At all times, agreed to or not, the Joint Ownership - Exchange of Notice form 605A must be signed and returned within 30 days. |

INTERCOMPANY OPERATING PROCEDURE

IOP #10

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By  Date: 8/30/11
Title: Director - Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By  Date: 8/18/11
Title: Vice President – Network Engineering

INTERCOMPANY OPERATING PROCEDURE

IOP #10

Public Service of New Hampshire							
Joint Ownership - Exchange of Notice							
To: FairPoint Communications	Tel Notice #	Elec Notice #					
Telco Rep:	Tel Order #	Elec Work Order #					
		Elec Financial #					
From: Public Service of New Hampshire	Tel Municipality	Elec Municipality					
PSNH Rep:	Tel Route/Street	Elec Route/Street					
Date:	Telephone Exchange	Elec Exchange					
Completion Date:	Tel Code Exchange	Maintenance Area:	Tel: <input type="text"/>				
			Elec: <input type="text"/>				
Notes/Comments:		<table border="1" style="margin-left: auto;"> <tr> <td>Electric Total:</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>Telephone Total:</td> <td style="text-align: right;">\$0.00</td> </tr> </table>		Electric Total:	\$0.00	Telephone Total:	\$0.00
Electric Total:	\$0.00						
Telephone Total:	\$0.00						
<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">PSNH:</div> <div style="border: 1px solid black; padding: 5px;">TELCO:</div>							
Voltage		Prepared By:					
Agreed By	Date:	Public Service of NH					
Agreed By	Date:	FairPoint Communications					

Form 005A

INTERCOMPANY OPERATING PROCEDURE

IOP #11

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #11 - REMOVAL OF JOINT POLES

EFFECTIVE September 1, 2011

1. Removal of Jointly Owned Poles

- a. Except as otherwise provided in this IOP, removal of Jointly Owned poles will be in agreement with the maintenance areas as assigned in Intercompany Operating Procedure #5 (Custody and Maintenance of Jointly Owned Poles and Anchors).
- b. The maintaining company is responsible to notify the co-owner and all authorized licensees when a pole is ready to be transferred. A pole will be considered ready to be transferred by a company when the attachments to be moved are free from obstruction from any foreign cable, wire, or appurtenance and the required trimming is completed.
- c. Upon receipt of the "Notification of request to transfer facilities" each company is responsible for transferring its facilities within 60 days, unless otherwise agreed. The 60 day requirement may be extended for unique circumstances or for unusually large/complex projects but only after agreement by each company's appropriate Engineering or Operations Manager. The agreement must be documented by a signed EON by both company's appropriate Engineering or Operations Manager. After one of the Joint-Owners has given notice to the other owner in accordance with paragraph b. above that a pole is ready to be transferred, all liability for the pole including removal will be that of the other company if that company does not remove its facilities within the agreed upon time.
- d. The last party off the pole(s) is responsible to notify the maintaining company that the pole is ready for removal.
- e. In the event transfers are not completed and notification was provided in accordance with subsection C of this agreement within the agreed time limits by both companies, the company that is the last one to remove its attachments from a jointly-owned pole will remove and dispose of it. There will be no billing, associated with the removal, to the other company.
- f. The owners will mutually agree that pole topping will be performed at the bottom of the electric supply space.
- g. When it is mutually agreed that a pole is to be replaced using the "cut & kick" method

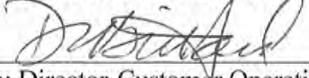
INTERCOMPANY OPERATING PROCEDURE

IOF #11

(same hole or close enough to lash) the pole butt will be removed by the maintaining party and the remainder of the pole will be removed by the last party to transfer attachments.

- h) Poles may be salvaged by the maintaining company or the last off party when agreed by both parties. The co-owner will be paid by the party removing the pole ½ flat rate billing for salvaged poles.

PUBLIC SERVICE OF NEW HAMPSHIRE

By  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By  Date: 8/18/11
Title: Vice President – Network Engineering

INTERCOMPANY OPERATING PROCEDURE IOP #12

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #12 - FLAT RATE BILLING

EFFECTIVE September 1, 2011

1. This procedure outlines the Flat Rate Reciprocal Billing Agreement reached among the Joint Owners. These rates may be reviewed by request of either co-owner on an annual basis.
2. In order to establish standardized costs, a flat rate reciprocal billing amount of \$ 620.00 per pole, will take effect on the date of this agreement. This rate will be applied to all poles placed on or after that date, regardless of size.
3. In the event that additional height beyond a standard pole is to be for the exclusive use of a single utility, the rate for that utility will be increased by \$106.00 per 5 ft of the affected pole. When these poles are replaced for any reason, joint-owner space requirements will be evaluated and billing for the replacement will be based on the agreed allocation.
4. When an anchor is set solely for the benefit and use of one company, such as for service/subscriber poles, the anchor will be billed at the flat rate of \$480.00.
5. Pole removals will be billed at a 1/2 rate amount of \$275.00. Upon mutual agreement of the joint owners, in the event that a party which is not responsible, removes a pole, the removing party will bill the joint owner at the full flat rate.
6. Billing will not occur for plant sacrifice, shifting and straight removal transactions.
7. When one company desires to purchase interest in an existing non-joint pole, the following billing procedure based on set date, will apply:
 - a. For poles 20 or less years old, billing will be at the current flat rate reciprocal billing amount.
 - b. For poles more than 20 years old, no billing will occur.

INTERCOMPANY OPERATING PROCEDURE

8. a. When a co-owner requests the pole to be Topped, the Topping will be billed at the current flat rate of \$65.00 noted on the exchange of notice 605A.
- b. Any pole Topping not requested on the original Exchange of Notice form 605A and which is subsequently requested by the joint owner, that requires an additional trip, will be billed at twice the current flat rate.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By 
Title: Director-Customer Operations

Date: 8/30/11

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By 
Title: Vice President – Network Engineering

Date: 2/16/14

INTERCOMPANY OPERATING PROCEDURES

IOP #13

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #13 - POLE ACCIDENT AND OTHER THIRD PARTY POLE BILLINGS

EFFECTIVE September 1, 2011

These procedures will be applied in the handling of customer billing for pole accidents and other third party pole work.

1. POLE ACCIDENTS

When joint poles are damaged by the actions of a third party, the pole custodian will, (1) determine if the pole needs replacement and (2) replace the pole if necessary. The pole custodian should cover full pole replacement costs including removals (labor, equipment and materials) from the party causing the pole damage. There will be no pole billing to the joint owner. Each owner should bill the third party for their shifting and transfer costs.

2. MINOR POLE RELOCATIONS

Minor pole relocations which can be accomplished by trenching, straightening or jacking will be performed by the pole custodian at no cost to the joint owner. The pole custodian, at its sole option, can attempt to be reimbursed by the party requesting the pole movement.

3. REIMBURSABLE RELOCATION OF POLES

The pole custodian will replace the necessary poles, with no billing to the joint owner. All billing to the Federal, State or Municipal Agencies by the companies will be based on statutory requirements.

4. NON REIMBURSABLE HIGHWAY PROJECT RELOCATION OF POLES

In general, relocation of poles within the Rights of Way owned by cities, towns and the State projects are not reimbursable projects, therefore, the pole custodian will replace the necessary poles as outlined in IOP #3 and bill the joint owner, based upon the Flat Rate Reciprocal Billing Agreement.

INTERCOMPANY OPERATING PROCEDURES

IOP #13

5. POLE RELOCATIONS REQUESTED BY DEVELOPERS

In the event that a developer requests pole relocations, whether required by the city/town or not, the developer will reimburse the pole custodian the full cost (labor, equipment and material) of relocating the pole(s). There will be no pole billing to the joint owner. Each owner should bill the developer for their transfer costs.

6. POLE RELOCATIONS REQUESTED BY PROPERTY OWNER

Request by property owners for relocation of a pole in the public way will be judged on the adverse effects the present location has on access or egress from the property. If circumstances warrant and the joint owners agree, the relocation will be done at the utility company's expense.

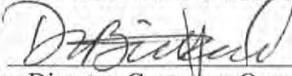
The custodian will bill the joint owner per the current Flat Rate Reciprocal Billing Agreement.

If payment is required from the requester, the requester will reimburse the pole custodian the full cost (labor, equipment and material) for pole replacement. There will be no billing to the joint owner. Each company will bill the property owner for their shifting and transfer costs.

7. BILLING FOR LICENSEES

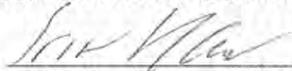
Billing for pole work conducted to accommodate licensees will be performed by each company individually. There will be no credits administered between the joint owners. The custodian will bill the joint owner per the current Flat Rate Reciprocal Billing schedule for 1/2 interest.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By 
Title: Director-Customer Operations

Date: 8/30/11

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By 
Title: Vice President - Network Engineering

Date: 8/12/11

INTERCOMPANY OPERATING PROCEDURE

IOP #14

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #14 - RIGHTS-OF-WAY, EASEMENTS AND LICENSES

EFFECTIVE September 1, 2011

1. DEFINITIONS

- a. For the purposes of this IOP the following definitions apply:
1. **Right-of-way** - A legal right of passage across, over and/or under another person's realty. (May be an easement, a license, a permit or verbal permission.)
 2. **Easement** - An interest in realty owned by another that entitles its holder to a specific use or enjoyment of the realty or a portion thereof.

2. EXISTING LINES

The company acquiring an interest in existing poles shall, with the necessary cooperation of the other Company, unless otherwise agreed, secure necessary rights-of-way, easements and licenses from property owners and public authorities.

3. NEW LINES

- a. The Company erecting new joint poles, anchors or underground facilities shall, with the necessary cooperation of the other Company, unless otherwise agreed, secure necessary rights-of-way, easements and licenses from property owners and public authorities. All such rights obtained by either Company shall be in the joint names of both Companies. Where possible, a blanket easement, right-of-way or license will be obtained for all poles, anchors, guys and stubs. Where necessary, each Company shall obtain easements, rights-of-way and licenses for poles, anchors, guys and stubs required for sole use.
- b. Exceptions to the above are the crossing of State owned public waters and the crossing, or occupancy of Railroad property or rights-of-way. In such instances, or similar ones, unless otherwise agreed, each Company will obtain whatever permits are necessary to fulfill its own requirements.

INTERCOMPANY OPERATING PROCEDURE

IOF #14

4. RECORDING AND RECORDING FEES

- a. All documents shall be recorded promptly, and a copy shall be furnished to the other Company.
- b. The recording fees for municipal grants, licenses, rights-of-way and private property easements will be paid by the Company obtaining same in their maintenance area.
- c. An easement is not required for an overhead or underground line extension or service that is located exclusively on the property of the owner on which the overhead or underground line extension or service is located. If, however, such an overhead or underground line extension or service will be used to supply other customers or facilities on the property, other property is large enough to be subdivided based on local zoning ordinances, or the line can be used or extended at a future date to supply other customers a permanent easement shall be obtained. The wire/cable whether overhead or underground must cross only the property being served. If any part of the wire/cable or equipment crosses any other property than the property being served an easement is required from the owner of the property that is being crossed.

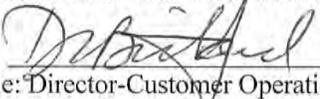
5. OTHER PAYMENTS

- a. Nominal payments paid to property owners for easements, etc. will be paid by the Company obtaining same.
- b. Payments other than "nominal", when mutually agreed in advance, will be shared equally by the two Companies.

6. FORMS

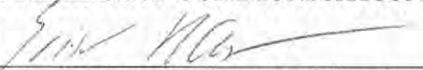
see attached

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By 
Title: Director-Customer Operations

Date: 8/30/11

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By 
Title: Vice President - Network Engineering

Date: 9/10/11

INTERCOMPANY OPERATING PROCEDURE
PETITION

IOF #14

_____, New Hampshire, _____, 20 ____

To the Department of Transportation of The State of New Hampshire

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE and NORTHERN NEW ENGLAND
TELEPHONE OPERATIONS, LLC D/B/A FAIRPOINT COMMUNICATIONS, request(s) a license to
install and maintain underground conduits, cables and wires and maintain poles and structures with wires,
cables, conduits and devices thereon together with such sustaining, strengthening and protecting fixtures as
may be necessary along, across and under the following public ways:

**NORTHERN NEW ENGLAND TELEPHONE
OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

**PUBLIC SERVICE COMPANY
OF NEW HAMPSHIRE**

By _____

By _____

Plant Records Supervisor

POLE LICENSE

Upon the foregoing petition and it appearing that the public good so required, it is hereby

ORDERED

_____, 20 ____

That the PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE and NORTHERN NEW ENGLAND
TELEPHONE OPERATIONS, LLC D/B/A FAIRPOINT COMMUNICATIONS, be and hereby are/is
granted a license to install and maintain underground conduits, cables, and wires and to erect and maintain
poles and structures with wires, cables, conduits and devices thereon together with sustaining, strengthening
and protecting fixtures in the public way or ways covered by said petition.

The maximum and minimum length of poles shall be 50 feet and 20 feet respectively; height of structures be
40 feet and 15 feet respectively. The approximate location of the poles, structures or underground conduits
are designated or defined as shown upon plan marked Public Service Company of New Hampshire
No. _____ dated _____ attached to and made a part of this order. All of said wires except such as are
vertically attached to poles and structures shall be placed at a height of not less than 18 feet above the
surface of the highway.

Approved By: _____

For Director of Administration N.H. Department of Transportation

Received and entered in the records of the city/town of

_____ Book _____ Page _____ Date _____

Attest _____

City/Town Clerk

INTERCOMPANY OPERATING PROCEDURE IOP #14

Transfer of Pole License

_____, New Hampshire _____ 20__

In connection with the transfer by _____

_____ to _____

_____ by instrument dated the _____ day of _____

_____, of part/full interest in certain property located as shown upon the
attached plan marked _____

No. _____, dated _____, the transferor hereby assigns

City/Town/State Highway Commission, dated _____ and recorded in the

records of the City/Town of _____ Book _____ Page _____

FAIRPOINT

By _____

Recorded in the _____ records of the City/Town

of _____ Book _____ Page _____

on the _____ day of _____ 19_____.

Attest: _____

Town/City Clerk

INTERCOMPANY OPERATING PROCEDURE

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #15 - UNAUTHORIZED ATTACHMENTS

EFFECTIVE September 1, 2011

The purpose of this Inter-Company Operating Procedure is to provide a program to effect joint ownership of poles and anchors upon which either party is attached without authorization.

1. Effective the date of this agreement, all unauthorized attachments discovered by either party, as well as all billings rendered, will be billed at the current flat rate as is in effect at the date of discovery.
2. The joint owner billing for the unauthorized attachments must show that joint ownership was refused. The Joint Ownership - Exchange of Notice will be the document of proof.

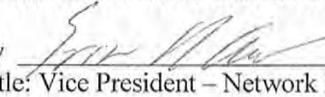
Unauthorized attachments discovered in the field and when a Joint Ownership – Exchange of Notice has exceeded the 90 day return (refer to IOP #10), will be considered unauthorized. This will not apply in cases of major storm replacements and vehicle damage when agreed to by each Company's Operations Managers. This agreement must be documented on the signed EON.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By 
Title: Director -Customer Operations

Date: 5/30/11

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By 
Title: Vice President – Network Engineering

Date: 9/15/11

INTERCOMPANY OPERATING PROCEDURE

IOP #16

**PUBLIC SERVICE OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

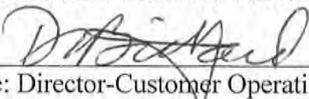
IOP #16 - PUSHBRACES

EFFECTIVE September 1, 2011

When a pushbrace is required on an energized line, the pole being affected is normally braced in PSNH's allocated space. In order to preclude the necessity of having crews from each company work together during installations, the following shall apply:

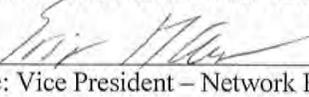
1. Each party shall place all Jointly owned pushbraces on de-energized lines in their custodianship areas.
2. PSNH shall place all Jointly owned pushbraces on energized lines except in those instances where the pushbrace is for the sole benefit and installed in the assigned space of FairPoint.
3. Solely owned pushbraces will be placed by the party requiring them. In instances where solely owned pushbraces are agreed to be placed by the other party for joint efficiencies they will be requested and billed using the Exchange of Notice Procedure.
4. When this work has been completed billing will be at the current one-half flat rate cost for such an installation (new pole costs).
5. The pushbrace will be provided by the party placing and billing for the work.

PUBLIC SERVICE OF NEW HAMPSHIRE

By 
Title: Director-Customer Operations

Date: 8/30/11

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By 
Title: Vice President - Network Engineering

Date: 8/10/11

INTERCOMPANY OPERATING PROCEDURE

IOP #17

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #17 - MONTHLY NET BILLING PROCEDURE

EFFECTIVE September 1, 2011

This Intercompany Operating Procedure sets forth the method to be followed in processing intercompany billing between FairPoint and PSNH on a monthly net billing basis.

1. DEFINITIONS

- a. **Net Billing** - for the purposes of this Intercompany Operating Procedure, the term "net billing" shall describe the accounting procedure by which the charges rendered by the two companies are computed, adjusted, totalled and compared each month. The company owing the greater total gross charges each month will pay to the other company the net difference only.
- b. **District** - the term district as used herein shall mean the N.H. District of FairPoint and the Operating Divisions of Public Service of New Hampshire.

2. MONTHLY NET BILLING PROCEDURE

- a. Negotiations prior to the determination of a net bill are carried out by use of:
 - (1) Joint Line Exchange of Notice and Memorandum,
 - (2) Form 1045-M, Monthly Summary of Intercompany Billing and Memorandum.
 - (3) Form 3037, Billing Adjustment Claim and Memorandum.
- b. As per the agreement between the companies, the monthly billing arrangement provides for assimilating all charges accumulated by both companies into one (1) net bill for each month, covering the entire territory served jointly by both companies. The net billing procedure requires the accumulation of all charges rendered by both companies each month into one (1) Statement of Charges (Form 1045-M) for each district. It does not require payments by either company for small individual undertakings until receipt of monthly bill. The monthly net bill will be rendered by the creditor company to the debtor company.

3. PROCESSING OF FORM 1045-M

- a. In accordance with the provisions of the Joint Agreement, the company performing the work shall by the third (3) working day of the subsequent month render to the other company, as a package, an original and duplicate itemized statement of charges on Form 1045-M for the preceding month.

INTERCOMPANY OPERATING PROCEDURE

IOP #17

- b. By the eighteenth (18) day of the month, all entries on Form 1045-M shall have been verified with the executed copies of previously rendered Joint Line Exchange of Notice and Memorandum, and by mutual agreement, discrepancies shall be adjusted or deleted on **all** copies of Form 1045-M. Deletions and/or adjustments will be documented by completing Form 3037, Billing Adjustment Claim and Memorandum. Deleted items will be resubmitted and included in the net billing in the second month following the month in which they were submitted.
- c. By the twenty fifth (25) day of the month, the approved original Form(s) 1045-M, and Form(s) 3037, shall be returned to the company submitting the charges. The duplicate copies of Forms 1045-M and 3037 shall be retained by the company receiving the charges.
- d. After billing and details have been determined and certified as correct, they will be final.

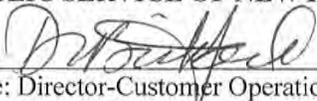
4. SETTLEMENT OF DISPUTED BILLS

- a. Deleted and/or adjusted items which cannot be settled in accordance with Section 3, Part B, of this Intercompany Operating Procedure shall be resolved by strict compliance with the Intercompany Operating Procedure(s). Resolution of disputed items shall be made by the second month following the month in which the dispute arose.
- b. Disputed items that cannot be resolved as herein stated shall be referred to the PSNH Representative and the FairPoint Representative for final and binding resolution.

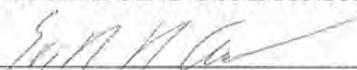
5. FINAL NET BILL

Upon completion of the process set forth in Section 3, Parts B and C for intercompany net billing, the designated supervisor or corporate coordinator for each company, on reaching agreement, will by the 28th of the month in which the itemized statement of charges is submitted make arrangements for the debtor company to render payment to the other company.

PUBLIC SERVICE OF NEW HAMPSHIRE

By  Date: 8/30/11
Title: Director-Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By  Date: 8/10/11
Title: Vice President - Network Engineering

INTERCOMPANY OPERATING PROCEDURE

IOP #17

1045M revised Mar-98

Nature of Work Code

- A. Intall Mutual Height
- B. Install Excess Height
- C. Initial Interest
- D. Remaining Interest
- E. Remove
- F. Damaged Pole
- G. Install Anchor
- S. Sacrifice Life
- T. Trim Trees

To: Public Service Company of New Hampshire
From: FairPoint Communications
 Tel. Co. Code: VERI

Sheet 1 of
Month-Year:
Register No.:
Bill No:
Monthly Work Order No.:
District:

*Private Property = All Partial None
 **C or R = Construction or Retirement

Estimate Work Order	Nature of Work Code	Telephone Pole Number Power Pole Number	Municipality/ Muni Code Street Municipality/Town Code Street	*PP	% Own	Length Class Plant Code	Wood Treat	Year	Anchor Size	Tax	Exchange of Notice #	Billing				Field Code **C or R	
												Placing or Sale Interest	Removal Cost	Excess Height	Credit		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Total											0	Total		\$0.00	\$0.00	\$0.00	\$0.00

Telephone Company Approval: _____ Date: _____
 Power Company Approval: _____ Date: _____

Sheet Total: \$0.00

Public Service Company of New Hampshire
 d/d/a Eversource Energy
 Docket No. DE 21-020
 Attachment ES-DPH-1
 February 25, 2022
 Docket DE 21-020
 Data Request STAFF 1-008-SP01
 Dated 5/13/21
 Attachment STAFF 1-008-SP01
 Page 59 of 63

INTERCOMPANY OPERATING PROCEDURE

IOP #18

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

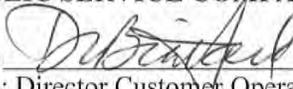
**IOP #18 - JOINT USE AGREEMENT FOR POLES AND FACILITIES IN THE FORMER
PEASE AIR FORCE BASE**

EFFECTIVE September 1, 2011

The intent of this IOP is to define the maintenance area of the former Pease Air Force Base, now leased to Pease Development Authority (PDA) between the joint owners in the following manner, utilizing reference map appended as "Appendix 5" to the Utility Sublease and License Agreement dated as of July 31, 1992 between the PDA and PSNH.

1. PSNH custodianship in the PDA area shall be designated for all facilities within the Portsmouth township.
2. In exchange for PSNH accepting all PDA custodianship FairPoint agrees to accept revision of existing IOP #5 to transfer Madbury from PSNH maintenance responsibility to FairPoint with respect to both existing and future joint pole plant.
3. All existing IOPs between FairPoint and PSNH will describe the manner in which business is conducted within the designated PDA areas.
4. To the extent it has the right to, PSNH grants to FairPoint the right to occupy, attach, maintain and remove telecommunications equipment on poles subleased to PSNH by PDA under the utility sublease and license agreement dated as of July 31, 1992 between PSNH and PDA. PSNH will not charge or assess FairPoint for any license or attachment fees for existing or future attachments to any subleased poles.
5. PSNH and FairPoint agree that as any leased pole is replaced the replacement pole shall be jointly owned, subject to the flat rate billing schedule in effect and all other IOP agreements between PSNH and FairPoint.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 9/15/11
Title: Vice President – Network Engineering

INTERCOMPANY OPERATING PROCEDURE

IOP #19

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

IOP #19 - EMERGENCY RESPONSE

EFFECTIVE September 1, 2011

PSNH and FairPoint shall work cooperatively to ensure that the Incident Control System adopted in each municipality includes protocols for pole emergencies that direct first responders (Incident Commander) to make contact with both the Electric Company and FairPoint at the earliest stages of the response regardless of the maintenance area.

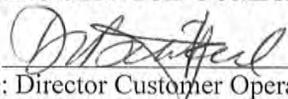
The Electric Company and FairPoint shall maintain notification procedures to ensure early communication between each other during pole emergency situations. The utility with responsibility for the maintenance area involved shall notify other attaching carriers affected by the incident.

Effective April 1, 2010, FairPoint will meet the same average response time to emergencies in its maintenance area as the target average emergency response time for the Electric Company in its maintenance area.

For poles temporarily made safe by emergency measures in FairPoint's maintenance area, FairPoint agrees to complete transfers and repairs and remove the defective condition or defective pole on an expedited basis.

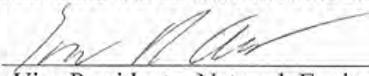
This paragraph shall not apply in the event of major weather events as defined by the Commission.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By: 
Title: Director Customer Operations

Date: 8/31/11

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By: 
Title: Vice President - Network Engineering

Date: 9/18/11

INTERCOMPANY OPERATING PROCEDURE

IOP #20

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
AND
NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

**IOP #20 – EXISTING JOINT USE RENTAL POLES AND RENTAL
METHODOLOGY**

EFFECTIVE September 1, 2011

1. PLACEMENT AND REPLACEMENT OF POLES IN JOINT USE AREAS

All existing Joint Use areas will be defined in Intercompany Operating Procedure (IOP) #5 Custody and Maintenance of Jointly Owned and Used Poles. All new or replacement poles which are to be jointly occupied by PSNH and FairPoint in these areas and placed for any reason will be replaced as Jointly Owned.

2. ANNUAL JOINT USE RENTAL BILLING

Approximately November 1st of each year both companies shall prepare, share and compare applicable lists of pole rentals added or removed from the overall count. In general there will be no further additions to the pole rentals due to all future placements and replacements being Jointly Owned as described above. There may be instances, however, where poles that are part of jobs which are incomplete and or due to other reasons may on occasion appear as a rental addition. The rental additions or subtractions shall be based on the prior years work or any unresolved items by both parties from the prior billing cycle. Any disputed items that cannot be resolved in a timely fashion in order to achieve a billing date of approximately December 1st of the current year shall be resolved after invoicing and added or subtracted to the following year's rental reconciliation.

3. RENTAL RATES

The current annual rental rate shall be \$19.64 per pole for both PSNH and FairPoint attachments.

4. GENERAL

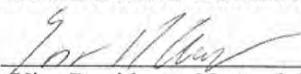
Any other procedures or processing related to the existing Jointly Used poles shall be handled in accordance with the most current Joint Use/Ownership Agreement and attached IOPs between PSNH and FairPoint.

INTERCOMPANY OPERATING PROCEDURE

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  Date: 8/30/11
Title: Director Customer Operations

**NORTHERN NEW ENGLAND TELEPHONE OPERATIONS, LLC
D/B/A FAIRPOINT COMMUNICATIONS**

By:  Date: 8/18/11
Title: Vice President – Network Engineering

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 04/12/2021

Date of Response: 04/28/2021

Request No. STAFF 1-013

Page 1 of 2

Request from: New Hampshire Public Utilities Commission Staff

Witness: Lee G. Lajoie, Michael Shultz, Sarah Davis

Request:

Reference Lajoie Testimony, Bates 21-22, stating “[t]he time necessary for the two parties to coordinate a response can lead to extended power outages or it can prolong an unsafe condition,” and asserting that purchase of the transferred poles will allow Eversource to “more quickly replace the poles and, therefore, potentially shorten duration of power outages in these cases.”

- a. In the past 10 years, have the Petitioners (or their predecessors) entered into an agreement with one another concerning emergency response? If so, please:
 - i. Specify the date of the agreement;
 - ii. Summarize any provisions of that agreement relating to pole replacement response time during an outage;
 - iii. Explain whether the Petitioners adhered to that agreement, explaining why or why not; and
 - iv. Summarize any actions taken by either party to enforce commitments relating to pole replacement response time during an outage.
- b. Please provide an annual summary, for each of the last five years, of the number of emergency events and the average outage duration of those events during which Eversource was required to coordinate with Consolidated.
- c. Please provide an annual summary, for each of the last five years, of the number of emergency events and the average “additional” outage duration of those events during which Consolidated was unable to coordinate with Eversource at all or in a timely manner.
- d. Please provide an annual summary, for each of the last five years, of the number of emergency events and the average outage duration of those events where Eversource was the sole responder.
- e. Please project the annual reliability and operational benefits in (\$/dCMI avoided) that will accrue to Eversource ratepayers as a result of the reduction in emergency event outage duration for those transferred poles where Eversource will no longer need to coordinate with Consolidated to respond to any emergency events.
- f. Please provide a narrative describing the qualitative benefits associated with reducing unsafe conditions during an emergency outage for those transferred poles where Eversource will no longer need to coordinate with Consolidated to respond to any emergency events.

Response:

- (a) The challenge that Eversource is raising exists as a result of the need for coordination with a third-party (i.e., the joint-owner). There is no agreement that would change the logistics involved with third-party coordination and timing. In a storm event, Eversource is 100 percent focused on

electric customers and the restoration of power to those customers in a safe and expeditious manner. Eliminating the third-party coordination rather than adding a layer of complexity regarding the third-party interaction would be a benefit to that important goal.

- (b) The time devoted to third-party coordination is not susceptible to quantification. Therefore, data to answer this question is not available. Consolidated Communications does not maintain such data in the format requested by Staff. Please refer to the response to data request Staff 1-011.
- (c) Data to answer this question is not available. Consolidated Communications does not maintain such data in the format requested by Staff. Please refer to the response to data request Staff 1-011.
- (d) Data to answer this question is not available.
- (e) Data to answer this question is not available.
- (f) Mr. Lajoie's longtime experience working during storm restoration activities is the basis for the testimony. Whenever a broken pole is found during storm restoration, if it is in Eversource maintenance area, an emergency Dig Safe is initiated and a pole setting crew is dispatched to the location as soon as the Dig Safe is clear. If the pole in question is in Consolidated's maintenance area, it is reported to CCI. Mr. Lajoie has no knowledge of their internal procedures but has experienced times when many hours have passed while waiting for Consolidated Communications to set a replacement pole. Some times, after several hours have passed, approval is given from Consolidated Communications for Eversource to set the pole. The Eversource internal process then starts. The delay in getting a pole replaced results in longer outages than necessary and the unsafe condition of broken poles and aerial equipment on the ground to persist for longer than if Eversource could replace the pole without having to coordinate with Consolidated. Mr. Lajoie has verbally confirmed with other Eversource employees involved in storm response that his experience is similar to the experience of other employees in other parts of the Eversource service territory.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 04/26/2021

Request No. STAFF 1-028

Page 1 of 1

Request from: New Hampshire Public Utilities Commission Staff

Witness: Douglas P. Horton, Erica L. Menard

Request:

Reference Horton and Menard Testimony, Bates 47. Please describe and explain in detail any difference in pole attachment fees currently paid to Consolidated as compared to pole attachment fees paid to Eversource. Provide at least three examples of the difference in fees for third parties which currently have attachments on poles and pay fees to Consolidated and also pay fees to Eversource.

Response:

Consolidated's third party pole attachment rates were inherited as part of the acquisition of FairPoint Communications in 2017. In 2009, the rates FairPoint charged were \$9.67 per pole, per year for an attachment on a solely owned pole and \$4.84 per pole, per year for an attachment on a jointly owned pole. Sometime between 2009 and 2011, both the solely owned rate and jointly owned rate were increased by \$2.00 per pole, per year to the current rates of \$11.67 per pole, per year for an attachment on a solely owned pole and \$6.84 per pole, per year for an attachment on a jointly owned pole. The rates Consolidated currently charges are not calculated using a specific formula. Therefore, a detailed comparison of the differences in how each company's rates are calculated cannot be performed.

REDACTED

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 05/03/2021

Date Revision Request Received: 05/07/2021

Date of Revision Response: 05/07/2021

Request No. STAFF 1-031-RV01

Page 1 of 5

Request from: New Hampshire Public Utilities Commission Staff

Witness: Douglas P. Horton, Erica L. Menard
Michael Shultz, Senior Vice President (Consolidated Communications)
Sarah Davis, Senior Director (Consolidated Communications)

Request:

Reference Horton/Menard Testimony, Bates 51-52, stating "On an annual basis, Eversource will calculate the net revenue requirement associated with the Transferred Poles," including "the return on the average rate base, depreciation expense, O&M associated with transferring lines and appurtenances on replaced poles, and O&M inspection costs."

- a. Please provide the net book value of the transferred poles as it exists on Consolidated's books today, including any relevant depreciation schedules by FCC/FERC account. Please provide copies of all relevant ARMIS reports as filed with the FCC.
- b. Please provide the net book value of the transferred poles as it existed on Consolidated's books at the time of Consolidated's acquisition of FairPoint, including any relevant depreciation schedules by FCC/FERC account. Please provide copies of all relevant ARMIS reports as filed with the FCC.
- c. Please explain whether it is Eversource's position that the Commission should consider the estimated incremental revenue requirement detailed at Bates 55 when determining whether the transfer is in the public interest.
- d. Please explain whether material deviations from the estimated revenue requirement during reconciliations would trigger reconsideration of whether the pole transfer is for the public good.

Response:

ORIGINAL RESPONSE:

Objections: Consolidated Communications objects to subsections (a) and (b) of this request on the grounds that they are not intended to lead to the discovery of relevant or admissible evidence in this Docket, and are overly broad and burdensome. Without waiving these or any other objections, Consolidated Communications responds as follows:

- a. As an initial matter, it is important to note that Consolidated, as a minimally regulated Excepted Local Exchange Carrier under New Hampshire law, is not required to adhere to regulatory accounting requirements applicable to EDCs for ratemaking purposes. In particular, the depreciation expense recorded for GAAP purposes is not required to be the result of a Commission-approved depreciation study, as is the case for regulated utilities. Consequently, from the point at which Consolidated purchased FairPoint Communications in 2017, it has depreciated its purchased pole plant over an approximate 5-year period. This extraordinarily shortened amortization period was the result of a management decision based on GAAP purchase accounting and has the effect of allowing Consolidated Communications to minimize any potential accounting losses at the time of sale that would arise from having a higher GAAP net book value.

REDACTED

As a result, the Joint Petitioners do not see Consolidated's GAAP net book value as a relevant or useful data point for purposes of going forward ratemaking for Eversource post-acquisition. Unlike the net book value reported for a regulated utility, which represents the unrecovered plant balance not-yet-paid for by customers, Consolidated's GAAP reported net book value does not represent an amount paid for (or not paid for) by its customers.

Notwithstanding this practicality, to be responsive to this question, Consolidated's GAAP net book value of the Transferred Poles as of March 2019 when the Joint Petitioners initially started negotiating this transaction was as follows.

Total Costs	\$ [REDACTED]
Total Accumulated Depreciation	\$ [REDACTED]
Net Book Value	\$ [REDACTED]

As of December 31, 2020, the GAAP net book value of the Transferred Poles was:

Total Costs	\$ [REDACTED]
Total Accumulated Depreciation	\$ [REDACTED]
Net Book Value	\$ [REDACTED]

The net book value of the poles as of December 31, 2020, is the most recent net book value of the poles that is available. In accordance with GAAP, Consolidated Communications classified the poles as "held for sale" (as of the date of the Joint Petitioners' agreement) and stopped depreciating the poles. GAAP accounting requires that the poles not be further depreciated pending the sale. There is no depreciation by "FCC/FERC account".

Lastly, Eversource notes that it jointly owns the vast majority of poles being purchased as part of this transaction. Naturally, Eversource follows traditional regulatory accounting for its assets, including adhering to regulated utility practices for recording depreciation of pole plant over a 30+ year period. The current balance of all Eversource jointly owned poles, the majority of which are joint-owned with Consolidated, is as follows.

Total Eversource Costs	\$129,060,753
Total Accumulated Depreciation	\$61,635,989
Net Book Value	\$67,424,764

This served as assurance to Eversource during negotiations that the net purchase price for the Transferred Poles, which is less than half the net book value of those same poles recorded in Eversource's financial statements, is a fair and reasonable price to pay for the Transferred Poles.

Consolidated Communications has provided its last ARMIS report filed for FY 2017 in PDF in Attachment Staff 1-031. Consolidated Communications is not required to file ARMIS reports for its study area for New Hampshire.

b. Consolidated Communications has no mechanism to produce the net book value of the Eversource poles at the time of the closing of the Consolidated Communications/FairPoint Communications acquisition transaction. However, as of the data of the closing of that transaction,

REDACTED

the net book value of all of Consolidated Communications' New Hampshire utility poles as of July 3, 2017 was:

Pole Investment - NH	\$ [REDACTED]
% Estimated as Eversource	68%
Estimated Eversource NBV	\$ [REDACTED]

There is no depreciation by "FCC/FERC account".

c. It is not clear what is intended by this question. If the question is asking about the nature of the public interest review, as described in the petition, the public interest standard, as it has been interpreted by the Commission, is a no net harm standard where the Commission would approve the transaction if there is no adverse impact on the public based upon all the circumstances. Thus, the Commission should look at all of the circumstances, including the operational benefits and the customer safety and satisfaction issues, rather than merely the incremental revenue requirement in determining whether the public interest is met.

To the extent the question is seeking to know whether the estimated incremental revenue requirement is accurate, the estimates are based upon the information presently available subject to the assumptions noted. It is Eversource's position that the estimate is reasonable and presents an appropriate initial estimate of the incremental revenue requirement.

d. No, Eversource does not view that deviations, material or otherwise, revealed during a reconciliation would trigger reconsideration. Presuming that the Commission approves the transaction, it would necessarily have to find that the transaction is reasonable and prudent. It would be inappropriate, and potentially illegal, for the Commission to later rescind that approval on the basis of a deviation from an estimate years later.

Also, as noted in the testimony (Bates page 50) without approval of the cost recovery mechanism, Eversource would not move forward with the transaction. If the Commission were to condition the approval on a later reconciliation at an unknown future date and under which it could void the transaction, that would present an untenable risk for Eversource and Eversource would not move forward with the transaction.

Lastly, as a practical matter, such reconsideration would be impossible. Once the transaction closes and Eversource pays Consolidated in accordance with the Joint Petitioners' agreement, Eversource owns the assets. Any reconsideration would, of necessity, force Eversource to return the assets (at some to be determined price), and would force Consolidated to retake ownership of the assets and reincorporate them into its business. It is not clear the Commission would have authority to order such an outcome.

REVISED RESPONSE:

Objections: Consolidated Communications objects to subsections (a) and (b) of this request on the grounds that they are not intended to lead to the discovery of relevant or admissible evidence in this Docket, and are overly broad and burdensome. Without waiving these or any other objections, Consolidated Communications responds as follows:

- a. As an initial matter, it is important to note that Consolidated, as a minimally regulated Excepted Local Exchange Carrier under New Hampshire law, is not required to adhere to regulatory

REDACTED

accounting requirements applicable to EDCs for ratemaking purposes. In particular, the depreciation expense recorded for GAAP purposes is not required to be the result of a Commission-approved depreciation study, as is the case for regulated utilities. Consequently, from the point at which Consolidated purchased FairPoint Communications in 2017, it has depreciated its purchased pole plant over an approximate 5-year period. This extraordinarily shortened amortization period was the result of a management decision based on GAAP purchase accounting and has the effect of allowing Consolidated Communications to minimize any potential accounting losses at the time of sale that would arise from having a higher GAAP net book value.

As a result, the Joint Petitioners do not see Consolidated's GAAP net book value as a relevant or useful data point for purposes of going forward ratemaking for Eversource post-acquisition. Unlike the net book value reported for a regulated utility, which represents the unrecovered plant balance not-yet-paid for by customers, Consolidated's GAAP reported net book value does not represent an amount paid for (or not paid for) by its customers.

Notwithstanding this practicality, to be responsive to this question, Consolidated's GAAP net book value of the Transferred Poles as of March 2019 when the Joint Petitioners initially started negotiating this transaction was as follows.

Total Costs	\$ [REDACTED]
Total Accumulated Depreciation	\$ [REDACTED]
Net Book Value	\$ [REDACTED]

As of December 31, 2020, the GAAP net book value of the Transferred Poles was:

Total Costs	\$ [REDACTED]
Total Accumulated Depreciation	\$ [REDACTED]
Net Book Value	\$ [REDACTED]

The net book value of the poles as of December 31, 2020, is the most recent net book value of the poles that is available. In accordance with GAAP, Consolidated Communications classified the poles as "held for sale" (as of the date of the Joint Petitioners' agreement) and stopped depreciating the poles. GAAP accounting requires that the poles not be further depreciated pending the sale. There is no depreciation by "FCC/FERC account".

Lastly, Eversource notes that it jointly owns the vast majority of poles being purchased as part of this transaction. Naturally, Eversource follows traditional regulatory accounting for its assets, including adhering to regulated utility practices for recording depreciation of pole plant over a 30+ year period. The current balance of all Eversource jointly owned poles, the majority of which are joint-owned with Consolidated, is as follows.

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REDACTED

Consolidated Communications has provided its last ARMIS report filed for FY 2017 in PDF in Attachment Staff 1-031. Consolidated Communications is not required to file ARMIS reports for its study area for New Hampshire.

- b. Consolidated Communications has no mechanism to produce the net book value of the Eversource poles at the time of the closing of the Consolidated Communications/FairPoint Communications acquisition transaction. However, as of the data of the closing of that transaction, the net book value of all of Consolidated Communications' New Hampshire utility poles as of July 3, 2017 was:

Pole Investment - NH	\$ [REDACTED]
% Estimated as Eversource	75%
Estimated Eversource NBV	\$ [REDACTED]

There is no depreciation by "FCC/FERC account".

- c. It is not clear what is intended by this question. If the question is asking about the nature of the public interest review, as described in the petition, the public interest standard, as it has been interpreted by the Commission, is a no net harm standard where the Commission would approve the transaction if there is no adverse impact on the public based upon all the circumstances. Thus, the Commission should look at all of the circumstances, including the operational benefits and the customer safety and satisfaction issues, rather than merely the incremental revenue requirement in determining whether the public interest is met.

To the extent the question is seeking to know whether the estimated incremental revenue requirement is accurate, the estimates are based upon the information presently available subject to the assumptions noted. It is Eversource's position that the estimate is reasonable and presents an appropriate initial estimate of the incremental revenue requirement.

- d. No, Eversource does not view that deviations, material or otherwise, revealed during a reconciliation would trigger reconsideration. Presuming that the Commission approves the transaction, it would necessarily have to find that the transaction is reasonable and prudent. It would be inappropriate, and potentially illegal, for the Commission to later rescind that approval on the basis of a deviation from an estimate years later.

Also, as noted in the testimony (Bates page 50) without approval of the cost recovery mechanism, Eversource would not move forward with the transaction. If the Commission were to condition the approval on a later reconciliation at an unknown future date and under which it could void the transaction, that would present an untenable risk for Eversource and Eversource would not move forward with the transaction.

Lastly, as a practical matter, such reconsideration would be impossible. Once the transaction closes and Eversource pays Consolidated in accordance with the Joint Petitioners' agreement, Eversource owns the assets. Any reconsideration would, of necessity, force Eversource to return the assets (at some to be determined price), and would force Consolidated to retake ownership of the assets and reincorporate them into its business. It is not clear the Commission would have authority to order such an outcome.

Consistent with Puc 203.08(d), the Joint Petitioners state that they have a good faith basis for confidential treatment of the material provided in this response and will file an appropriate motion for confidential treatment prior to the commencement of hearings in this matter.



350 S. Loop 336 W., Conroe, TX 77304 | consolidated.com | NASDAQ: CNSL

Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: CC Docket No. 86-182
Report: Pole Attachment Data
Year of Data: 2017
Submission Number: 1

Dear Ms. Dortch:

Pursuant to the Commission's *Revisions to ARMIS Filing Procedures Order*,¹ FairPoint Communications, Inc. ("FairPoint") files pole attachment data for calendar year 2017 for its price cap local exchange carrier subsidiaries. Included with this filing are pole attachment data for the COSAs listed below:

<u>COSA</u>	<u>Submission No.</u>
FPME	1
FPNH	1
FPVT	1

This filing fulfills FairPoint's obligation to continue filing annually the pole attachment data previously required in ARMIS Report 43-01.²

¹ 28 FCC Rcd 11436 (Wireline Competition Bur. 2014)

² *Wireline Competition Bureau Approves FairPoint Communications Compliance Plan*, Public Notice DA 16-1212, WC Docket Nos. 12-61, 07-204, 02-21 (Wireline Competition Bur., released Oct 21, 2016)



350 S. Loop 336 W., Conroe, TX 77304 | consolidated.com | NASDAQ: CNSL

If you have any questions concerning this filing, please contact me at telephone (936) 521-7736.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott W. Kitchen".

SCOTT W. KITCHEN | SENIOR DIRECTOR, REGULATORY COMPLIANCE
D: 936.521.7736 | F: 936.788.1229
scott.kitchen@consolidated.com
consolidated.com | NASDAQ: CNSL



770 Elm St., Manchester, NH 03101 | consolidated.com | NASDAQ: CNSL

Certification of the FairPoint COMMUNICATIONS, INC.

I hereby certify that I am an officer FairPoint Communications, Inc. ("FairPoint"), I have examined the attached Pole Attachment Data for calendar year 2017, and to the best of my knowledge, information and belief, all statements of fact contained in the attached filing are true, and these reports are accurate statements of the affairs of FairPoint in respect to the data set forth therein for the period from January 1, 2017 through December 31, 2017 and Submission Number 1.

PRINTED NAME: Michael Schultz

TITLE Vice President, Legislative and Regulatory

DATE: 3/29/18

SIGNATURE: 

[Persons making willful false statements in this report can be punished by fine or imprisonment under the Communications Act of 1934, as amended, 47 U.S.C. §220(e).]

CONTACT PERSON: Scott W. Kitchen

TELEPHONE NUMBER: (936) 521-7736

E-MAIL ADDRESS: scott.kitchen@consolidated.com

FCC Paper Report 43-01
ARMIS Annual Summary Report

COMPANY: FairPoint Communications, Inc.
STUDY AREA: Maine
PERIOD: From: Jan 2017 To: Dec 2017
COSAs: FPME

SUBMISSION 1
Table III
Page 1 of 1

Table III - POLE AND CONDUIT RENTAL CALCULATION INFORMATION
(Dollars in thousands; Operating data in actual units)

ROW	ROW TITLE (a)	Amount (b)
Financial Information (\$000)		
100	Telecommunications Plant-in-Service	2,106,925
101	Gross Investment - Poles	201,530
102	Gross Investment - Conduit	69,620
200	Accumulated Depreciation - Total Plant-in-Service	2,052,029
201	Accumulated Depreciation - Poles	204,588
202	Accumulated Depreciation - Conduit	42,080
301	Depreciation Rate - Poles	6.4
302	Depreciation Rate - Conduit	2.1
401	Net Current Deferred Operating Income Taxes - Poles	0
402	Net Current Deferred Operating Income Taxes - Conduit	0
403	Net Current Deferred Operating Income Taxes - Total	-513
404	Net Non-current Deferred Operating Income Taxes - Poles	-4,376
405	Net Non-current Deferred Operating Income Taxes - Conduit	5,573
406	Net Non-current Deferred Operating Income Taxes - Total	-31,687
501.1	Pole Maintenance Expense	205
501.2	Pole Rental Expense	4,745
501	Pole Expense	4,951
502.1	Conduit Maintenance Expense	546
502.2	Conduit Rental Expense	0
502	Conduit Expense	546
503	General & Administrative Expense	32,308
504	Operating Taxes	8,663
Operational Data (Actual)		
601	Equivalent Number of Poles	276,959
602	Conduit System Trench Kilometers	813
603	Conduit System Duct Kilometers	4,469
700	Additional Rental Calculation Information	0

FCC Paper Report 43-01
ARMIS Annual Summary Report

COMPANY: FairPoint Communications, Inc.
STUDY AREA: New Hampshire
PERIOD: From: Jan 2017 To: Dec 2017
COSA: FPNH

SUBMISSION 1
Table III
Page 1 of 1

Table III - POLE AND CONDUIT RENTAL CALCULATION INFORMATION
(Dollars in thousands; Operating data in actual units)

ROW	ROW TITLE (a)	Amount (b)
Financial Information (\$000)		
100	Telecommunications Plant-in-Service	2,600,232
101	Gross Investment - Poles	220,791
102	Gross Investment - Conduit	121,067
200	Accumulated Depreciation - Total Plant-in-Service	2,480,113
201	Accumulated Depreciation - Poles	200,831
202	Accumulated Depreciation - Conduit	69,300
301	Depreciation Rate - Poles	5.8
302	Depreciation Rate - Conduit	2.2
401	Net Current Deferred Operating Income Taxes - Poles	0
402	Net Current Deferred Operating Income Taxes - Conduit	0
403	Net Current Deferred Operating Income Taxes - Total	3,502
404	Net Non-current Deferred Operating Income Taxes - Poles	-1,047
405	Net Non-current Deferred Operating Income Taxes - Conduit	10,259
406	Net Non-current Deferred Operating Income Taxes - Total	-35,753
501.1	Pole Maintenance Expense	10,238
501.2	Pole Rental Expense	2,199
501	Pole Expense	12,436
502.1	Conduit Maintenance Expense	773
502.2	Conduit Rental Expense	0
502	Conduit Expense	773
503	General & Administrative Expense	21,305
504	Operating Taxes	3,679
Operational Data (Actual)		
601	Equivalent Number of Poles	251,720
602	Conduit System Trench Kilometers	1099
603	Conduit System Duct Kilometers	6,430
700	Additional Rental Calculation Information	0

FCC Paper Report 43-01
ARMIS Annual Summary Report

COMPANY: FairPoint Communications, Inc.
STUDY AREA: Vermont
PERIOD: From: Jan 2017 To: Dec 2017
COSA: FPVT

SUBMISSION 1
Table III
Page 1 of 1

Table III - POLE AND CONDUIT RENTAL CALCULATION INFORMATION
(Dollars in thousands; Operating data in actual units)

ROW	ROW TITLE (a)	Amount (b)
Financial Information (\$000)		
100	Telecommunications Plant-in-Service	1,401,333
101	Gross Investment - Poles	156,637
102	Gross Investment - Conduit	56,935
200	Accumulated Depreciation - Total Plant-in-Service	2,876,016
201	Accumulated Depreciation - Poles	186,832
202	Accumulated Depreciation - Conduit	28,917
301	Depreciation Rate - Poles	6.4
302	Depreciation Rate - Conduit	2.1
401	Net Current Deferred Operating Income Taxes - Poles	0
402	Net Current Deferred Operating Income Taxes - Conduit	0
403	Net Current Deferred Operating Income Taxes - Total	3,903
404	Net Non-current Deferred Operating Income Taxes - Poles	-9,209
405	Net Non-current Deferred Operating Income Taxes - Conduit	5,210
406	Net Non-current Deferred Operating Income Taxes - Total	-53,760
501.1	Pole Maintenance Expense	2,869
501.2	Pole Rental Expense	2,680
501	Pole Expense	5,549
502.1	Conduit Maintenance Expense	307
502.2	Conduit Rental Expense	0
502	Conduit Expense	307
503	General & Administrative Expense	17,209
504	Operating Taxes	2,745
Operational Data (Actual)		
601	Equivalent Number of Poles	159,802
602	Conduit System Trench Kilometers	719
603	Conduit System Duct Kilometers	2,819
700	Additional Rental Calculation Information	0

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 05/13/2021

Date of Response: 05/27/2021

Request No. TS 1-005

Page 1 of 2

Request from: New Hampshire Public Utilities Commission Staff

Witness: Douglas P. Horton, Erica L. Menard

Request:

Reference Joint Petitioners' Response Staff 1-024, for 1-024 (b) and (c), describing the negotiated number of attachments as 1.175.

- a. Please provide the initial assumptions / data both parties initially provided prior to the negotiated attachment of 1.175.
- b. Please explain whether there was any confirmation process that either party implemented in order to validate the reasonableness of the negotiated value.
- c. Is the number of attachments per pole required to be a known figure for Eversource to charge attachers consistent with the methodology in DT 12-084? If so, please explain how this can be a negotiated figure.
- d. In the third year after the sale, will the number of CCI attachments per pole be documented and submitted through the normal 3rd party attachment process to ensure an accurate attachment fee per pole?
- e. If the answer to (d) above is yes, how does CCI and/or Eversource plan to implement this survey and how will the costs be allocated?
- f. If the answer to (d) above is no, please explain Eversource's position as non-discriminatory if the 3rd party attachment fee is based on a negotiated attachment figure, which is not the same process and determination through which other 3rd party attachments are handled.

Response:

- a. The negotiated number of attachments was an estimate provided by Consolidated and agreed upon by both parties as a proxy. There is no up to date survey at this time. There are no formal assumptions related to the Consolidated Communications' pole attachments. As stated during the Technical Session of May 13, 2021, Consolidated has more facilities attached to poles in the more urban areas of Northern New England compared to the rural areas. Given that Consolidated Communications does not have an inventory of its pole attachments, this issue came down to a negotiation and what the Joint Petitioners determined was reasonable for purposes of agreeing to the pole sale. As noted in the response to data request Staff TS 1-011, the Joint Petitioners negotiated what they believe to be a fair and nondiscriminatory attachment estimate. If the basis for this aspect of the transaction changes in any material manner, then either party may terminate the Settlement and Pole Purchase Agreement.
- b. There was no confirmation process implemented by either party to validate the estimated pole attachment factor. The Joint Petitioners believe the negotiated value of the Consolidated pole attachment fees is reasonable considering the overall terms of the transactions and settlement.
- c. The actual average number of attachments per pole is not required to be a known figure. Per the Settlement Agreement, the "# of Attachers" that is part of the Space Factor portion of the Unified

Pole Rent Formula is presumed to be 2.7 and "may be challenged as too low by petition to the NH Public Utilities Commission".

- d. Eversource has the right to conduct and charge for surveys per its master attachment agreement, and at this point, the Company has not decided if or when it would conduct that survey. With respect to Consolidated's attachments, as part of the overall transaction and settlement agreement, the Joint Petitioners have an agreed upon attachment fee per year through fiscal year 2026 following the closing as set forth in the parties' Pole Attachment Agreement previously filed with the Commission in this Docket. Please see Section 3.2.2 of the Joint Petitioners' Pole Attachment Agreement. The number of attachments as defined in this Section 3.2.2 will be applied to Eversource's then standard annual attachment fee per attachment commencing in the third year of closing. The Joint Petitioners understand that Sections 3.2.1 and 3.2.2 will need to be modified at the time of closing to reflect the actual closing date.
- e. The cost of any survey would be billed and collected from all third party attachers.
- f. The Joint Petitioners believe the attachment rate is reasonable under the circumstances and is not discriminatory. Nondiscriminatory means that similarly situated parties are treated similarly. Consolidated has been a joint owner and not an attacher. As a result, Consolidated is not similarly situated to third party attachers. As a joint owner, Consolidated has incurred costs that third party attachers have not incurred, tree trimming, for example. Furthermore, as a joint owner, Consolidated has not had to apply for attachment licenses. Each of the Joint Petitioners bill for pole attachments based on the third party pole attachment applications, not on actual attachments affixed to poles. Since Consolidated has not applied in this manner, Eversource does not have an "application number" to bill. A full field survey could result in either a higher or lower number, just like a full field survey is likely to result in a different number for third party attachers. Both parties believe the assumption to be reasonable, adequately compensating for attachments without having a specific number.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 05/13/2021

Date of Response: 05/27/2021

Request No. TS 1-007

Page 1 of 2

Request from: New Hampshire Public Utilities Commission Staff

Witness: Douglas P. Horton, Erica L. Menard

Request:

Reference Joint Petitioners' Response NECTA 1-006(c), which states "the pole attachments agreements currently in effect will transfer to Eversource upon closing of the transaction, including rates currently authorized under those agreements. Rates would only change under those agreements in the manner in which those agreements prescribe. Any change to rates would occur in the future and follow the terms of the contracts in effect, as is the case today."

- a. Please describe the pole attachment rate change process that CCI or its predecessors have generally included in their third party attachment agreements, including what requirements are placed upon CCI or its predecessors before it can propose a change in attachment rates.
- b. If the proposed asset transfer were approved, would Eversource charge two different attachment fees for a single attachment, one pursuant to the CCI agreements, and one pursuant to the Unified Pole Rent formula determined in DT 12-084? Please explain.
- c. If the proposed asset transfer were approved, would Eversource charge the solely owned pole rate to those attachers who were previously attached to poles jointly owned by Eversource and CCI. Please explain.
- d. Please state whether the jointly owned rate or solely owned rate was used for determining expected revenues for the purposes of calculating the 2023 pole attachment revenues in DPH/ELM-1.
- e. Reference Petitioners' Response NECTA 1-036, stating Eversource plans to issue two invoices to third party attachers, "until such time that the rates are consolidated for FY 2023." Please explain why rates are consolidated in year three, rather than year one, year two, or year four.

Response:

- a. Consolidated Communications does not have a formal pole attachment rate change process, other than as defined in the pole attachment agreements. Most, if not all, pole attachment agreements allow the pole owner to change the attachment rates with sixty (60) days prior written notice to the attaching entity. These terms typically are found in Article III of the pole attachment agreements.
- b. Correct - if the proposed asset transfer was approved, Eversource would bill attachers in first two years following the transaction in the following manner:
 - For an attachment on a pole that was previously solely owned by CCI - Eversource would bill the CCI solely owned pole attachment rate.
 - For an attachment on a pole that was previously jointly owned by CCI and Eversource - Eversource would bill the CCI jointly owned pole attachment rate and the Eversource jointly owned pole attachment rate.
- c. No. As explained in the Company's response to part b, Eversource would bill the CCI jointly owned pole attachment rate (currently \$6.84) and the then current Eversource jointly owned pole

attachment rate (currently \$6.75) for an attachment on a pole that was previously jointly owned between Eversource and CCI (a total of \$13.59 based on Eversource's current rate) until the pole attachment rates are consolidated in Year 3. The \$13.59 rate is what an attacher is currently being billed for an attachment to a jointly owned pole. By continuing to bill both the CCI and Eversource jointly owned pole attachment rates, third party attachers would not see an immediate bill impact as a result of the ownership change. If Eversource began billing its solely owned pole attachment rate (currently \$13.50) for all poles at the date of the transaction closing, there would be a rate increase (\$1.83 per attachment) for those attachments on poles previously solely owned by CCI and a rate decrease (\$0.09 per attachment) for those attachments on poles previously jointly owned by CCI and Eversource. The intent was to separate the transaction from any bill impacts arising purely from the ownership change in an attempt to keep the transaction as straightforward as possible.

- d. The solely owned pole attachment rate was used for determining expected revenues for the purpose of calculating the 2023 pole attachment revenues in Attachment DPH/ELM-1. This is when Eversource anticipates the rate consolidation would occur.
- e. As explained in the Company's response to part c, some attachments would be billed a higher rate or a lower rate if the rates were consolidated prior to the financial impacts of the transaction appearing in Eversource's FERC Form 1 data, which is used to calculate the pole attachment rates. In Year 3, the rates would decrease (all else equal) for all types of attachments. This creates the situation where conflicting rate impacts (some attachments experiencing a rate increase, while others experience a rate decrease) are eliminated.

Year 3 Rates when Consolidated in Year 3			
	Current 2021 Rates	Consolidated Rate*	Difference
Solely Owned Pole (Previously Owned by CCI)	\$11.67	\$8.94	(\$2.73)
Jointly Owned Pole (Previously Jointly Owned by CCI & Eversource)	\$13.59	\$8.94	(\$4.65)
Solely Owned Pole (Owned by Eversource)	\$13.50	\$8.94	(\$4.56)

Waiting until Year 4 to consolidate the rates would create a large discrepancy between the rates that Eversource would be billing for Year 3. Year 3 rates (based on the model) would be as follows:

Year 3 Rates when Consolidated in Year 4			
	CCI Rate	ES Rate	Total
Solely Owned Pole (Previously Owned by CCI)	\$11.67	N/A	\$11.67
Jointly Owned Pole (Previously Jointly Owned by CCI & Eversource)	\$6.84	\$4.47	\$11.31
Solely Owned Pole (Owned by Eversource)	N/A	\$8.94	\$8.94

As shown above, Eversource would be billing attachments on former jointly owned poles over \$2 more per pole, per year than attachments on poles solely owned by Eversource prior to the transaction.

* The "Consolidated Rate" is from the Company's transaction model and may differ based on other external factors.

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 06/03/2021

Date of Response: 06/17/2021

Request No. STAFF 2-001

Page 1 of 1

Request from: New Hampshire Public Utilities Commission Staff

Witness: Lee G. Lajoie, Michael Shultz, Sarah Davis

Request:

Reference Joint Petitioners' Supplemental Response Staff 1-008, IOP # 19, stating "The Electric Company and FairPoint shall maintain notification procedures to ensure early communication between each other during pole emergency situations. The utility with responsibility for maintenance area involved shall notify other attaching carriers affected by the incident. Effective April 1, 2010, FairPoint will meet the same average response time to emergencies in its maintenance area as the target average emergency response time for the electric Company in its maintenance area." In light of this commitment, please:

- a. Summarize any actions taken by either party to enforce commitments relating to pole replacement response time during an outage; and
- b. Explain how purchase of the transferred poles will allow Eversource to "more quickly replace the poles and, therefore, potentially shorten duration of power outages in these cases."

Response:

- a. The clause was added to IOP #19 when it was re-negotiated in 2010 in an effort to have FairPoint respond quicker, targeting a two hour time frame. Although response time initially improved, it has subsequently declined. No further discussions have taken place. As described in the response to Staff 1-013 (f), Eversource sometimes sets poles in Consolidated's maintenance area, if their response is delayed.
- b. Please see the response to Staff 1-013.f. The Joint Petitioners further note that in an outage situation, if the pole is in a Consolidated maintenance area, Eversource may be required to dispatch to clear any power issues and make sure the scene is safe for the Consolidated crew to set the pole. Thereafter, Consolidated would set the pole. After Consolidated completes the replacement, Eversource then would move its power facilities to the new pole. Following the transaction, Eversource can dispatch and perform all three functions at once without having to wait for Consolidated to arrive on scene and/or set the pole.

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 06/03/2021

Date of Response: 06/17/2021

Request No. STAFF 2-002

Page 1 of 1

Request from: New Hampshire Public Utilities Commission Staff

Witness: Lee G. Lajoie

Request:

Reference Joint Petitioners' Response Staff 1-010 stating "For the 3,844 Consolidated Solely Owned Poles, although Consolidated Communications made available for Eversource's review and inspection its easements and licenses which are stored in Consolidated's facilities in Manchester, New Hampshire, and Portland, Maine, owing to the COVID environment, Eversource has been unable to assemble an inventory of such rights. Eversource therefore relies on Consolidated's contractual representations of title and transferability." Please explain whether Eversource intends to review and inspect the easements and licenses stored in Consolidated's facilities. If not, please explain why not.

Response:

The vast majority of the transferred poles are jointly owned and for which Eversource is a joint easement or license holder which renders additional due diligence on the status of Consolidated Communications rights in such poles unnecessary. Consolidated Communications will keep its property records accessible to Eversource post-closing and should a need to confirm the source of rights in a particular pole location arise and Eversource cannot identify the source of rights from among its own internal property records, Eversource would review Consolidated Communications' records at that time.

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 06/03/2021

Date of Response: 06/17/2021

Request No. STAFF 2-018

Page 1 of 1

Request from: New Hampshire Public Utilities Commission Staff

Witness: Douglas P. Horton, Erica L. Menard, Lee G. Lajoie, Michael Shultz, Sarah Davis

Request:

Reference Joint Petitioners' Response Staff TS1-011(a) stating that "A complete pole attachment survey would have taken time to complete and would have held up the negotiation process," and Joint Petitioners' Response NECTA 1-033 stating "it is cost prohibitive to perform a complete attachment survey."

- a. Please explain how much time a complete pole attachment survey would take to complete.
- b. Please explain how much a complete pole attachment survey would cost.
- c. Please explain whether a pole attachment survey was not conducted because it would be cost prohibitive or because it would have held up the negotiation process.
- d. Please explain why the joint petitioners believe the Commission should approve a proposed sale of pole assets without accurate information.

Response:

- a. Consolidated and Eversource estimate it would take 6-9 months to perform a survey.
- b. The costs of a survey are borne by attachers. The practice in this area is that the pole owners typically assign any right to back payments associated with unauthorized attachment fees to the surveying company, similar to a commission.
- c. The Joint Petitioners did not undertake a pole attachment survey for the reasons mentioned in the data request – both the time necessary to undertake a survey as well as the expense to third party pole attachers and the Joint Petitioners in terms of the time it takes to engage a third party to conduct a survey. The focus was on attempting to resolve the issues between the Joint Petitioners on a mutually acceptable terms without bringing additional third party attacher issues into a potential resolution.
- d. The Joint Petitioners are not asking the Commission to approve the transaction based on inaccurate data. The proposed transaction must be considered in its entirety considering all of the issues resolved among the Joint Petitioners through the consummation of the transactions contemplated in the Settlement and Pole Purchase Agreement. When considered in its entirety, the proposed transactions are in the public interest. In the event the Commission decides to change in a material manner one or more terms of the transactions at issue, then either party is free to terminate the Settlement and Pole Purchase Agreement which the Joint Petitioners believe would not be in the public interest.

REDACTED

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 08/20/2021

Date of Response: 08/31/2021

Request No. DOE 4-020

Page 1 of

Request from: Department of Energy

Witness: Horton, Douglas, Russel D. Johnson, Erica L. Menard

Request:

Reference Pole Purchase and Settlement Agreement. Please indicate the role of the following relative to the purchase price:

- a. Reject poles encountered during the 2019/2020 inspection of the transferred poles. Please also indicate the number of rejects encountered during the 2019/2020 inspection as a percent of poles inspected
- b. The uninspected poles in the population of transferred poles that would likely be rejected, if the reject rate were the same as for the inspected polls. Please also indicate the number of likely rejects in the uninspected transferred poles, if the reject rate were the same as in the transferred poles.

Response:

- a. As identified in the response to NECTA 3-001 (d), the credit for zero life poles was a negotiated number based on the number of inspections performed in 2019/2020 as identified in the responses to Staff 1-005a and Staff 3-001. Using the 2019/2020 inspections of 77,000 poles inspected multiplied by the reject rate of 3.0% resulted in 2,310 poles identified as reject or zero life poles. The cost to replace zero life poles was negotiated to be **Begin Confidential** [REDACTED] /pole **End Confidential** for a total value of approximately **Begin Confidential** [REDACTED] **End Confidential** which was credited against the overall negotiated purchase price.
- b. Rejects from uninspected poles were not factored into the purchase price.

Consistent with Puc 203.08(d), the Joint Petitioners states that they have a good faith basis for confidential treatment of the material provided in this response and will file an appropriate motion for confidential treatment prior to the commencement of hearings in this matter.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 08/20/2021

Date of Response: 08/31/2021

Request No. DOE 4-021

Page 1 of 1

Request from: Department of Energy

Witness: Douglas P. Horton, Erica L. Menard, Russel D. Johnson

Request:

Please indicate the reject rate Eversource has used for the purposes of developing the revenue requirement associated with the replacement of reject poles once the poles have been transferred.

Response:

Eversource estimates 2% of the poles it inspects annually, once the poles are transferred, will need to be replaced. Please note in the response to NECTA 3-002 "As discussed during the technical session Consolidated's inspection resulted in a reject rate of approximately 2-3% which is in the range of Eversource's experience on poles in its maintenance area so is expected to be representative of the entire population of joint poles formerly maintained by Consolidated"

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 08/20/2021
Request No. DOE 4-022

Date of Response: 08/31/2021
Page 1 of 1

Request from: Department of Energy

Witness: Russel D. Johnson, Jason M. Yergeau

Request:

Please indicate whether Eversource plans to do an attacher survey after transferring the poles and why this is the case. Please also indicate when these surveys will likely be done.

Response:

Eversource plans to conduct an attachment inspection (attacher survey) upon completion of the transfer to ensure that all attachments are accurately accounted for and billed correctly. The Company has not determined the exact timeframe of the survey, however, it is a large undertaking and is expected to take at least a year to conduct and reconcile the results.

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 08/20/2021

Date of Response: 09/01/2021

Request No. DOE 4-024

Page 1 of 1

Request from: Department of Energy

Witness: Michael Shultz, Sarah Davis, Sady Rancourt

Request:

Please provide the net book value of CCI's assets used for the purpose of municipal property tax assessments.

Response:

Consolidated's net book value (confidential) has been provided in response to data request Staff 1-032. For purposes of New Hampshire property taxes and pursuant to New Hampshire RSA 74:19, Consolidated is required to file an inventory of telecommunications poles with the Department of Revenue Administration and with the municipality where the property is located no later than July 1 of each year. The inventory information does not include book value information or any other valuation type information. Consolidated reports the number of poles, ownership percentage attributable to the poles, street location, height and year placed. Each municipality or its outside tax assessors place a value on the poles and the municipalities are required to adhere to a formula set forth in New Hampshire RSA 72:8-c. The Department of Revenue calculates and provides to every municipality a schedule of telecommunications pole costs, using national published telecommunications standard cost data guides calculated annually using a 5-year rolling average. It is this data that the municipalities and their outside assessors are required to use for purposes of assessing property taxes on telecommunications poles.

**Public Service Company of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

**Date Request Received: November 30, 2021
Data Request No. 5-01**

**Date of Response: December 15, 2021
Page 1 of 1**

Request from: Department of Energy

Witness: Yergeau, Jason M, Menard, Erica L, Johnson, Russel D, Horton, Douglas P

Request:

Reference Supplemental Testimony of Horton and Menard at Bates page 6, stating “the Company is requesting approval of a funding mechanism to annually reconcile the net incremental costs associated with Eversource’s purchase of the transferred poles, so that necessary maintenance and repair activities can commence immediately following the close of the transaction which will assure that all of the poles will be safe and adequate for providing service to customers.”

- a. Please explain whether the Company believes the transferred poles are currently safe and adequate for providing service to customers and why this is the case.
- b. If the answer to the question above is no, please explain why the Company has not yet embraced the recourse processes available to it under the Joint Ownership Agreement or the Intercompany Operating Procedure (IOP)?

Response:

- a. The referenced statement does not imply that the transferred poles are currently unsafe or inadequate for providing service to customers. As identified on Bates page 8 of the original testimony, Eversource takes a proactive approach to identifying and replacing poles not meeting minimum strength requirements as defined by the National Electric Safety Code therefore greatly reducing the probability that a pole will fail in service as the result of adverse weather conditions or the installation of additional equipment by Eversource or third parties. This approach enhances public safety and reliability, while decreasing the need to perform emergency replacements. While poles that do not meet the minimum strength requirements are deemed safe, the Company’s proactive replacement program minimizes any potential safety impacts that could occur from these weakened assets. If the acquisition of Consolidated’s pole infrastructure is approved as requested in this proceeding it will result in incremental costs that are not reflected in Eversource’s rates but will be incurred by the Company after the transaction in order for the Company to assure that all of the poles will be safe and adequate for providing service to customers.
- b. See the response to part a.

Public Service Company of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: November 30, 2021
Data Request No. 5-03

Date of Response: December 15, 2021
Page 1 of 2

Request from: Department of Energy

**Witness: Yergeau, Jason M, Menard, Erica L, Johnson, Russel D, Horton, Douglas P,
Sarah Davis**

Request:

Reference Supplemental Testimony of Horton and Menard at Bates page 8-9, describing the components of the Pole Plant Adjustment Mechanism (PPAM) as including "Transferred Pole Rate Base," and "Pole Replacement Rate Base," and Lajoie Testimony at Bates 18 stating "The net purchase price is comprised of a gross purchase price... reduced by [redacted]. In particular, the poles that failed inspection were identified by an outside company in an inspection report dated January 20, 21 2020, or were earlier designated and tagged as failed inspection."

- a. Please explain the percent of poles inspected that failed inspection.
- b. Please explain whether the poles that failed inspection would be included in the Transferred Pole Rate Base, Pole Replacement Rate Base component, both components, or neither component.
- c. Please explain whether the Joint Petitioners expect the uninspected poles in Consolidated's maintenance area to have a failure rate approximately equivalent to the inspected poles.
- d. Please explain whether Eversource would recover from ratepayers the costs associated with currently uninspected poles in Consolidated's maintenance area which fail Eversource's inspection during the first five years following the transaction (See Lajoie Testimony at Bates 22-23) within the Transferred Pole Rate Base, Pole Replacement Rate Base component, both components, or neither component

Response:

- a. As identified in the response to Staff 3-001, in the 2019 inspection report issued on January 20, 2020, there were 2,226 poles identified as failed inspection out of 73,028 poles inspected. Of those 2,226 poles, 1,660 poles are identified as joint owned with Eversource.

As identified in the 2020 inspection survey results provided as a response to a confidential settlement discussion, there were 3,100 poles identified as failed inspection out of 103,461 total poles inspected. Within those inspection results, for the Eversource joint owned poles, there were 33,501 poles inspected and 649 poles identified as failed poles for a reject rate of 1.9%.

**Public Service Company of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

**Date Request Received: November 30, 2021
Data Request No. 5-03**

**Date of Response: December 15, 2021
Page 2 of 2**

Combining the 1,660 failed poles from the 2019 inspection results with the 649 failed poles from the 2020 inspection results in a total of 2,309 failed poles which is similar to the number of zero life poles identified as part of the purchase agreement.

- b. Transferred Pole Rate Base reflects the net purchase price, which is net of a credit associated with zero life poles as described in the Lajoie testimony at Bates 18. As poles are replaced, the new poles will be included in the Pole Replacement Rate Base.
- c. Based on current inspection results, the Joint Petitioners expect the uninspected poles in Consolidated's maintenance area to have a failure rate that is approximately equivalent to the failure rate of inspected poles.
- d. All poles replaced will be included in Pole Replacement Rate Base. Transferred Rate Base is a fixed number based on the purchase price approved as part of the transaction.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 05/03/2021

Request No. NECTA 1-026

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard

Request:

Please confirm that once Eversource owns the poles that were jointly owned by Eversource and Consolidated, Eversource will continue to charge the same rates that Eversource and Consolidated charged NECTA's members for their attachments to the jointly owned poles prior to the transfer of ownership.

Response:

As it relates to the rates Consolidated charges its attachers, as described at Bates 47, the pole attachment agreements currently in effect between Consolidated and its attachers will transfer to Eversource upon closing of the transaction. The agreements include the rates Consolidated currently charges to its attachers and describe the process for changing them. As a result, assuming the transaction under review in this docket is approved and closed, Eversource will continue to charge Consolidated attachers the same rates they pay to Consolidated today, and will do so until such time as Eversource initiates a change in the rates in the future.

As it relates to the rates Eversource charges its attachers, the Eversource attachment rates adjust annually based on inputs from its annual FERC Form No. 1. Generally speaking, the accounting information recorded in one year is reflected in the attachment rates two years later. For example, accounting records for calendar year 2021, reported on the Company's FERC Form No. 1 report in 2022, will serve as the basis for the attachment rates that will go into effect January 1, 2023.

It is Eversource's plan and expectation that it will consolidate the rate and billing for attachments in the future. Until such time that the rates are consolidated, third party pole attachers will continue to receive two bills for their attachments on previously joint-owned poles – one for attachments on poles previously owned by Consolidated and another for attachments on poles owned by Eversource prior to the transaction.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 05/03/2021

Request No. NECTA 1-027

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard

Request:

Please confirm that once Eversource owns the poles that were solely owned by Consolidated, Eversource will continue to charge the same rate that Consolidated charged NECTA's members for their attachments to the solely owned poles prior to the transfer of ownership.

Response:

Please see the response to NECTA 1-026. In the short-term, Eversource will continue to charge the same rates for attachments to solely owned poles prior to the transfer of ownership.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 04/28/2021

Request No. NECTA 1-036

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard, Lee G. Lajoie

Request:

Once Eversource owns the Transferred Poles, please state whether Eversource will issue separate invoices for the poles it currently owns and the Transferred Poles, or whether Eversource will issue one invoice that includes charges for Eversource's poles as well as the poles it acquired from Consolidated.

Response:

Please see responses to NECTA 1-026 and NECTA 1-027. Eversource plans to issue two invoices to third party attachers, until such time that the rates are consolidated for FY 2023. One bill will be for attachments on poles previously owned by Consolidated and another bill for attachments on poles owned by Eversource prior to the transaction.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 04/12/2021

Date of Response: 04/28/2021

Request No. NECTA 1-041

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard, Lee G. Lajoie

Request:

Please state whether Eversource intends to apply the FCC cable rate formula in the future for attachments to all of its poles, and if so, when such application will occur.

Response:

Please see the response to NECTA 1-026. Eversource currently calculates its third party attachment rates using the Unified Pole Rent Formula, which was the result of a settlement agreement in Docket No. DT 12-084.

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 05/17/2021

Date of Response: 06/03/2021

Request No. NECTA TS 1-003

Page 1 of 2

Request from: New England Cable and Telecommunications

Witness: Lee G. Lajoie, Sarah Davis

Request:

Re: NECTA 1-006, 1-008, 1-012 and 1-013:

- (a) Please provide a breakdown of the number of billed attachments by Eversource and Consolidated pre-transfer broken down by SO, JO, and JU poles, and the corresponding number to be billed post-transfer.
- (b) Please confirm the statement made by Consolidated at the Technical Session that attachments associated with JU poles that are being transferred represent attachments on poles solely owned by Eversource and that post-transfer, attachers will not be billed for the "JU" charges that Consolidated currently imposes. Please confirm whether Eversource agrees with this statement.
- (c) To the extent the total number of billed attachments post transfer does not exactly equal the sum of the number of billed attachments pre-transfer for Eversource and Consolidated combined, less the number of Consolidated JU billing attachments, please identify the source of/reasons for any difference.
- (d) Please fill in the following table for each of the NECTA members Comcast, Atlantic Broadband and Charter, and indicate whether Eversource and Consolidated agree on the numbers provided in response to this Data Request. If Eversource and Consolidated do not agree on any of the provided numbers, please identify the discrepancies and the reasons for the disagreement.

BILLED BY EVERSOURCE:							
Attachment to:	Number of Poles	Pre-Transfer		Post-Transfer			
		Billing Units	Pole Rate	Billing Units	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
JO Pole							
SO Pole							
JU Pole							
BILLED BY CONSOLIDATED:							
Attachment to:	Number of Poles	Billing Units	Rate	Billing Units	Proposed Rate Yr. 1	Proposed Rate Yr. 2	Proposed Rate Yr. 3
JO Pole							
SO Pole							
JU Pole							

- (e) As indicated by the Joint Petitioners at the Technical Session, please provide an update to the response to NECTA 1-012 (number of attachments by Atlantic Broadband, Charter Communications and Comcast on the jointly owned poles that are being transferred), and state whether the Joint Petitioners agree on the stated numbers.
- (f) Please provide an update to the response to NECTA 1-013 (number of attachments by Atlantic Broadband, Charter Communications and Comcast on the solely owned poles that are being transferred, and state whether the Joint Petitioners agree on the stated numbers.

Response:

- a. Please see response to (d) below.
- b. Eversource currently bills Joint Use/Electric Company owned poles at the solely owned rate. Eversource does not bill for Joint Use/Telephone Company owned poles. Post pole transfer, Eversource will consider all Joint Use poles to be solely owned by Eversource and will bill as such.

Attachments on joint use poles that are being transferred represent attachments on an Eversource pole where Consolidated does not have an ownership interest, but where it pays based on the "equitable sharing of economies of joint use" (see Article 23 of the Joint Use/Ownership Agreement dated September 1, 2011) as opposed to a regulated attachment rate. A sole owned pole is a pole where one party determines the pole is necessary for its sole use (see Article 2 of the Joint Use/Ownership Agreement dated September 1, 2011). Consolidated confirms that it will no longer bill a joint Use rate once those poles are transferred.

- c. Eversource intends to work with the NECTA parties to confirm their respective number of attachments billed by Eversource and Consolidated. Post-closing, until an attachment survey occurs, Eversource plans to bill the number of attachments formerly billed by Consolidated at the Consolidated rate. Eversource will continue to work with the NECTA parties to reconcile records.
- d. Please see Attachment NECTA TS 1-003 for the comparison tables requested. Please note that the Joint Petitioners are still working through the impact on the tri-owned attachments. For tri-owned attachments on poles that are tri-owned with Consolidated, those attachments will convert to the respective joint owned rates after completion of the transaction.
- e. Eversource has 39,946 attachments licensed under Time Warner, which accounts for the discrepancy in the number of attachments for Charter Communications provided by Consolidated as compared to Eversource's count. Eversource's biannual billing statements are sent to Time Warner c/o Charter, however it was requested that the Time Warner name remain.
- f. Please see the response to (d). As stated previously, Eversource and Consolidated do not have a common database or tracking mechanism for reconciling pole attachments. Eversource intends to work with the NECTA parties to confirm number of attachments for billing purposes.

Pubic Service Company of New Hampshire
d/d/a Eversource Energy
Docket No. DE 21-020
Attachment ES-DPH-1
February 25, 2022

Docket DE 21-020
Data Request NECTA TS 1-003
Dated 5/17/21
Attachment NECTA TS 1-003
Page 1 of 1

Billed by Eversource:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Charter	-	7,602	\$6.75	7,602	\$6.19	\$6.19	\$8.94
JO Poles	-			40,216	\$6.84	\$6.84	\$8.94
JO Poles (formerly CCI)	-	379	\$13.50	379	\$12.38	\$12.38	\$8.94
SO Poles	-			410	\$6.84	\$6.84	\$8.94
SO Poles (formerly CCI JU)		9	\$4.50	9	\$4.13	\$4.13	\$2.98
TO Poles							
JU Poles							

Billed by Consolidated:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Charter	-	40,216	\$6.84	0	0	0	0
JO Poles	-						
SO Poles	-	333	\$11.67	333	\$11.67	\$11.67	\$11.67
JU Poles	-	410	\$6.84	0	0	0	0

Billed by Eversource:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Time Warner	-	38,386	\$6.75	38,386	\$12.38	\$12.38	\$8.94
JO Poles	-	1,560	\$13.50	1,560	\$12.38	\$12.38	\$8.94
SO Poles	-	1	\$4.50	1	\$4.13	\$4.13	\$2.98
TO Poles							
JU Poles							

Billed by Consolidated:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Time Warner							
JO Poles							
SO Poles							
TO Poles							
JU Poles							

Billed by Eversource:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Comcast	-	165,553	\$6.75	165,553	\$6.19	\$6.19	\$8.94
JO Poles	-			138,258	\$6.84	\$6.84	\$8.94
JO Poles (formerly CCI)	-	6,603	\$13.50	6,603	\$12.38	\$12.38	\$8.94
SO Poles	-	203	\$4.50	203	\$4.13	\$4.13	\$2.98
TO Poles							
JU Poles							

Billed by Consolidated:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Comcast	-	138,258	\$6.84	0	0	0	0
JO Poles	-						
SO Poles	-	1,952	\$11.67	1,952	\$11.67	\$11.67	\$11.67
JU Poles	-	106	\$6.84	0	0	0	0

Billed by Eversource:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Atlantic Broadband	-	43,965	\$6.75	43,965	\$6.19	\$6.19	\$4.47
JO Poles	-			43,384	\$6.84	\$6.84	\$8.94
JO Poles (formerly CCI)	-	1,568	\$13.50	1,568	\$12.38	\$12.38	\$8.94
SO Poles	-			291	\$6.84	\$6.84	\$8.94
SO Poles (formerly CCI JU)		18	\$4.50	18	\$4.13	\$4.13	\$2.98
TO Poles							
JU Poles							

Billed by Consolidated:							
Attachment to:	Pre-Transfer			Post-Transfer			
	# of Poles	# of Attachments	Pole Rate	# of Attachments	Proposed Pole Rate Year 1	Proposed Pole Rate Year 2	Proposed Pole Rate Year 3
Atlantic Broadband	-	43,384	\$6.84	0	0	0	0
JO Poles	-						
SO Poles	-	384	\$11.67	384	\$11.67	\$11.67	\$11.67
JU Poles	-	291	\$6.84	0	0	0	0

JO = Joint Owned
 SO = Sole Owned
 TO = Tri-Owned
 JU = Joint Use
 Note: The Eversource numbers reflect attachments with any joint owner, not specifically Consolidated

REDACTED

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 06/03/2021

Date of Response: 06/17/2021

Request No. NECTA 2-003

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard, Sarah Davis

Request:

Given the following response to NECTA TS 1-004(h), i.e. “[t]he net book value of these [transferred] assets using the accounting useful lives is likely significantly less than what the net book value of these assets would be if regulatory approved depreciation rates were used,” please explain why the Commission should allow Eversource to set pole attachment rates based on the higher hypothetical regulatory net book value of the transferred assets versus the lower actual net book value based on the accounting depreciation rates that were actually applied by CCI to the assets?

Response:

As stated in the Joint Petitioners’ previous responses to Staff data request 01-031(a)-RV01 and NECTA TS 1-004(h), the Joint Petitioners do not see Consolidated Communications’ GAAP net book value as a relevant or useful data point for purposes of going forward ratemaking for Eversource post-acquisition. Unlike the net book value reported for a regulated utility, which represents the unrecovered plant balance not-yet-paid for by customers, Consolidated’s GAAP reported net book value does not represent an amount paid for (or not paid for) by its customers. Moreover, as set forth in confidential Attachment NECTA 2-002, the hypothetical regulated net book value of the Transferred Poles as of December 31, 2020, is [REDACTED] and this amount exceeds the net purchase price of the Transferred Poles [REDACTED] by [REDACTED]. The Joint Petitioners believe this negotiated net purchase price for the Transferred Poles and the transactions contemplated in the Settlement and Pole Purchase Agreement are fair and reasonable, and in the public interest. In addition, the purpose of FERC USOA accounts 114 and 115 for a purchase price in excess of the net book value is to avoid having the original cost of utility assets recovered more than once from customers. This is not applicable to this transaction. The net purchase price reflects the cost to Eversource of the poles acquired by Eversource, and therefore reflects the costs upon which the pole attachment rates must be based going forward once under Eversource ownership in order for this transaction to go forward.

Consistent with Puc 203.08(d), the Joint Petitioners states that they have a good faith basis for confidential treatment of the material provided in this response and will file an appropriate motion for confidential treatment prior to the commencement of hearings in this matter.

REDACTED

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 06/03/2021

Date of Response: 06/17/2021

Request No. NECTA 2-015

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard, Michael Shultz, Sarah Davis

Request:

Please state the basis and source of the "Total Costs", "Accumulated Depreciation" and "Net Book Value" figures provided in response to Staff 1-031-RV01, part (a). Also, please provide the "Total Costs", "Total Accumulated Depreciation" and "Net Book Value" of the transferred poles as of March 2019 and December 31, 2020.

Response:

The basis and source of the Consolidated data was from the accounting books/records of Consolidated Communications' as of the closing of the acquisition of FairPoint Communications, Inc. Consolidated Communications' "Total Costs", "Total Accumulated Depreciation" and "Net Book Value" of the transferred poles as of March 2019 and December 31, 2020, is set forth in Staff 1-031(a)-RV01.

Eversource's "Total Costs", "Total Accumulated Depreciation" and "Net Book Value" of the transferred poles amounts are from the Eversource Power Plant system which supports the general ledger. Eversource's figures for March 2019 and December 31, 2020 are:

[REDACTED]

Consistent with Puc 203.08(d), the Joint Petitioners state that they have a good faith basis for confidential treatment of the material provided in this response and will file an appropriate motion for confidential treatment prior to the commencement of hearings in this matter.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 06/29/2021

Date of Response: 07/14/2021

Request No. NECTA 3-004

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard

Request:

The response to NECTA 2-001 suggests that a list of transferred poles is not necessary because the important thing is for field personnel to know who owns the poles. Please state whether Eversource agrees that it is important for their pole attachment invoicing personnel to know which poles are being transferred from Consolidated to Eversource in order to properly bill for pole attachments post-transfer.

Response:

Please refer to the response to NECTA TS 1-003. As stated in that response, Eversource intends to work with the NECTA parties to confirm their respective number of attachments billed by Eversource and Consolidated. Post-closing, until an attachment survey occurs, Eversource plans to bill the number of attachments formerly billed by Consolidated at the Consolidated rate. Eversource has stated that it will work with the NECTA parties to reconcile records for billing purposes until a complete pole attachment survey is conducted.

In the table provided in the response to NECTA TS 1-003, the number of joint-owned attachments from Consolidated's records are less than the number of joint-owned attachments from Eversource's records. While the Eversource records include joint-owned attachments with entities other than Consolidated, it demonstrates that Eversource's records are not significantly different than those of Consolidated. Because Eversource has agreed to initially use Consolidated's records for billing attachments formerly billed by Consolidate, the lack of a list of transferred poles will not hinder Eversource's invoicing personnel to produce a pole attachment invoice post-transfer.

Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020

Date Request Received: 06/29/2021

Date of Response: 07/14/2021

Request No. NECTA 3-005

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard

Request:

Please explain the process by which Eversource will prepare its invoices for the transferred poles post-transfer. As part of the response, please explain how Eversource will determine: (a) which of the transferred poles are those in which Consolidated had an ownership interest; (b) the number of transferred poles where Consolidated was the sole owner and joint owner, respectively; and (c) the number and types of attachments by each NECTA member (i.e. Atlantic Broadband, Charter Communications and Comcast) that is an attacher on those poles.

Response:

Eversource will continue to issue bills for existing Eversource attachments as the Company has done historically. Eversource will take Consolidated's billing data (# of attachments by attachee and the rate, until the rate is up for review) and issue a separate statement.

This will continue to be the billing practice until an attachment survey has been completed and attachment data has been reconciled.

**Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-020**

Date Request Received: 06/29/2021

Date of Response: 07/14/2021

Request No. NECTA 3-012

Page 1 of 1

Request from: New England Cable and Telecommunications

Witness: Douglas P. Horton, Erica L. Menard

Request:

Please confirm that:

- (a) post-transfer, Eversource will only charge pole rent for poles in which it has an ownership interest;
- (b) post-transfer, none of Eversource's invoices to pole attachers will include a Joint Use charge for poles 100% owned by another entity;
- (c) Eversource was the sole owner of the transferred poles for which Consolidated was invoicing a Joint Use charge; and
- (d) post-transfer, for attachments on the Eversource solely owned poles for which Consolidated was previously invoicing a Joint Use charge, Eversource will only charge the solely-owned pole rate. If Eversource intends to invoice a charge in addition to the solely-owned pole rate for the poles described in part (d), above, please provide the numerical value of the charge, and state the reason why the charge will be invoiced.

Response:

- a. Eversource confirms that post-transfer, Eversource will only charge pole rent for poles in which it has an ownership interest;
- b. Eversource confirms that post-transfer, none of Eversource's invoices to pole attachers will include a Joint Use charge for poles 100% owned by another entity;
- c. While neither party can confirm on each and every pole billed, it appears that substantially all of the poles are actually jointly owned and that the Consolidated billing records are either incorrect or were not updated with the correct ownership designation and that all or nearly all of these poles are actually joint owned poles. Since the pole attachment rate is the same, there was no need to ensure of the correct pole ownership designation.
- d. Eversource confirms that post-transfer, Eversource will only charge the solely-owned pole rate for attachments for which Consolidated was previously invoicing a Joint Use charge.

THE STATE OF NEW HAMPSHIRE
Before the
PUBLIC UTILITIES COMMISSION

Time Warner Entertainment Company L.P. d/b/a
Time Warner Cable,

Petitioner,

v.

Public Service Company of New Hampshire,

Respondent.

Docket No: DT 12-084

SETTLEMENT AGREEMENT ON PSNH POLE ATTACHMENT RATES

This Settlement Agreement on PSNH Pole Attachment Rates ("**Agreement**") is made and entered into by and between Public Service Company of New Hampshire ("**PSNH**"), and Time Warner Entertainment Company, L.P. d/b/a Time Warner Cable ("**Time Warner Cable**"), Comcast Cable Communications Management, LLC, Comcast of New Hampshire, Inc., Comcast of Massachusetts/New Hampshire, LLC and Comcast of Maine/New Hampshire, Inc. ("**Comcast**"), and segTEL, Inc. ("**segTEL**"), collectively (including their affiliates) referred to herein as the "**Parties**."

WHEREAS PSNH commenced lawsuits against Time Warner Cable and Comcast of New Hampshire, Inc., Comcast of Massachusetts/New Hampshire, LLC and Comcast Of Maine/New Hampshire, Inc., for pole attachment rate changes claimed to be due for attachments to PSNH poles ("the Lawsuits");

WHEREAS Time Warner Cable filed a Petition for Resolution of Dispute against PSNH, dated March 30, 2012, in the New Hampshire Public Utilities Commission ("PUC"), Docket No. 12-084 (the "Proceeding"), requesting, *inter alia*, that the PUC find that the Federal Communication Commission ("FCC") Cable Rate Formula applies to all attachments to PSNH

poles by cable operators, regardless of the communications services provided over such attachments since December 12, 2009;

WHEREAS Time Warner Cable and PSNH disputed the rate applicable to attachments to PSNH poles by cable operators, regardless of the communications services provided over such attachments (the "Dispute");

WHEREAS the PUC entered an Order, dated May 2, 2012, requiring, inter alia, any party seeking to intervene in the Proceeding to submit a Petition to Intervene by May 21, 2012;

WHEREAS Time Warner Cable caused notice of the prehearing conference to be timely published;

WHEREAS Comcast, segTEL and Unitil Energy Systems, Inc. ("Unitil") submitted a petitions to intervene in the Proceeding;

WHEREAS there was a pre-hearing conference on May 24, 2012;

WHEREAS the PUC entered an Order, dated July 3, 2012, granting the petitions to intervene of Comcast, Unitil, and segTEL, and holding that the PUC will not assert jurisdiction over retrospective rate issues, and that this Proceeding shall be governed by the 360-day timeframe set forth in in 47 U.S.C. 224;

WHEREAS the Parties conducted discovery;

WHEREAS Comcast, Time Warner Cable, PSNH and segTEL pre-filed direct testimony in the Proceeding;

WHEREAS eleven members of the New Hampshire Telephone Association¹ ("NHTA") intervened in the Proceeding on August 20, 2012;

WHEREAS the Parties have agreed to settle the Dispute on the terms and conditions set forth in this Agreement, which terms and conditions are supported by PUC staff;

¹ The eleven members were Bretton Woods Telephone Company, Inc., Dixville Telephone Company, Dunbarton Telephone Company, Inc., Granite State Telephone, Inc., Northern New England Telephone Operations, LLC d/b/a FairPoint Communications – NNE, Northland Telephone Company of Maine, Inc. d/b/a FairPoint Communications -Northland Telephone Company of Maine, TDS Telecom/Hollis Telephone Company, Inc., TDS Telecom/Kearsarge Telephone Company, TDS Telecom/Merrimack County Telephone Company, TDS Telecom/Union Telephone Company, Inc., and TDS Telecom/Wilton Telephone Company, Inc.

(W3408294.1)

NOW THEREFORE, in consideration of the terms and conditions contained in this Agreement, the Parties agree to the following terms and conditions:

1. **Settlement of Dispute.** For the period January 1, 2013 going forward, the Parties agree to the following Unified Pole Rent Formula to be applied to all attachments to PSNH poles by cable television service providers and competitive local exchange carriers pursuant to PUC 1304.06(a):

Pole Attachment Rate = $0.44 \times SF \times \text{Net Cost of Bare Pole}^2 \times \text{Carrying Charge Rate}^2$

Where,

$$\text{Space Factor ("SF")} = \frac{1^3 + \left[2/3 * \frac{\text{Unusable Space}^4}{\# \text{ of Attachers}^5} \right]}{\text{Pole Height}^4}$$

The signatories to this Agreement agree that they shall not challenge the lawfulness of the Unified Pole Rent Formula in court, before the PUC or in any other forum.

Notwithstanding any provisions of any and all existing pole attachment agreements between PSNH and the attaching parties covered by this settlement agreement which require advance written notice to be given by PSNH of a change in pole attachment fees and charges, the pole attachment rate formula specified herein shall be in effect and chargeable by PSNH commencing on January 1, 2013 for all attachments of the attaching parties covered by this settlement agreement, without the necessity of any further or additional written notice by PSNH.

² The Net Cost of Bare Pole and the Carrying Charge Rate shall be calculated in accordance with now present FCC policies and rebuttable presumptions.

³ Space Occupied.

⁴ The amount of Unusable Space is presumed to be 24 feet. The Pole Height is presumed to be 37.5 feet. These presumptions may be rebutted by either party before the NH Public Utilities Commission.

⁵ Commencing with the 2013 pole rate calculation this value shall be no less than 2.7. Commencing January 1, 2014, this 2.7 value may be challenged as too low by petition to the NH Public Utilities Commission, provided however, that this value shall not be more than 3 prior to January 1, 2016.

(W3408294.1)

2. **Other Dealings.** This Agreement will in no way affect the rights or obligations of the Parties with respect to any other claims, controversies, or lawsuits, business dealings or contractual obligations between them that are unrelated to this Agreement.

3. **Consultation with Counsel.** The Parties acknowledge that they have consulted with their separate counsel.

4. **Modification of Agreement.** This Agreement may be amended, revoked, or modified only upon a written agreement executed by the affected Parties. No waiver of any provision of this Agreement will be valid unless it is in writing and signed by the person or entity against whom such waiver is charged.

5. **Severability.** Should any provision of this Agreement be illegal or invalid, the validity of the remaining parts, terms, or conditions shall not be effected thereby and said illegal or invalid part, term, or condition shall be deemed not to be a part of this Agreement.

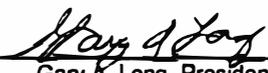
6. **Entire Agreement.** This Agreement sets forth the entire Agreement between the Parties regarding the terms and conditions set forth herein, and supersedes all prior negotiations, understandings, and agreements other than the individually negotiated settlement agreements entered into by PSNH with certain of the Parties that concern the Lawsuits. The Parties expressly state that they have not relied on any statement or promise by any other prior to entering into this Agreement other than those statements or promises that are expressly set forth in this Agreement. This Settlement Agreement shall not be deemed in any respect to constitute an admission by any party that any allegation or contention in these proceedings is true or valid. This Settlement Agreement is expressly conditioned upon the PUC's acceptance of all of its provisions without change or condition. If such acceptance is not granted, the settlement agreement shall be deemed to be null and void and without effect, and shall not constitute any part of the record in this proceeding nor be used for any other purpose. The Parties and Staff agree to support approval of this Settlement Agreement before the PUC and the Parties and Staff shall not oppose this Settlement Agreement before any regulatory

agencies or courts before which this matter is brought. This Agreement may be executed in counterparts, each of which shall be considered an original. Notwithstanding the foregoing, this Agreement does not provide and is not intended to provide non-signatory third parties with any remedy, claim, liability, obligation, cause of action, or other privilege. Furthermore, it has no precedential effect for any non-signatory third parties, and will not prejudice any other issues not specifically resolved through the Agreement.

7. **Governing Law/Jurisdiction.** This Agreement shall be construed and enforced in accordance with the laws of the State of New Hampshire, without regard to conflict of law principles. The terms of this agreement shall govern the calculation of pole attachment rents in accordance with PUC 1304.06(a) notwithstanding any other provision of federal, state or local law. If necessary, this Agreement may be enforced at the PUC. The Parties hereby submit to the jurisdiction of the PUC for purposes of enforcement in that forum.

8. **Authority to Execute Agreement.** The undersigned hereby represent and warrant that they have the authority to execute this Agreement in accordance with the terms and conditions set forth herein.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By: 
Gary A. Long, President
Public Service Company of New Hampshire
Duly Authorized

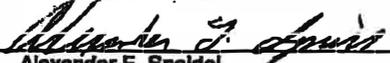
Date: Nov 13, 2012

**TIME WARNER ENTERTAINMENT COMPANY, L.P.
D/B/A TIME WARNER CABLE**

By: 
Julie Laine, Group Vice President
and Chief Counsel, Regulatory
Time Warner Cable Inc.
Duly Authorized

Date: Nov 13, 2012

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION STAFF

BY:  Date: 11/13/2012
Alexander F. Spedel
Staff Attorney, NHPUC

**COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC,
COMCAST OF NEW HAMPSHIRE, INC.,
COMCAST OF MASSACHUSETTS/NEW HAMPSHIRE, LLC AND
COMCAST OF MAINE/NEW HAMPSHIRE, INC.**

BY:  Date: 11/13/12
Mark Reilly Senior Vice President
Government Affairs, Comcast Northeast Division
Duly Authorized

segTEL, Inc.,

BY:  Date: Nov 13 2012
JEREMY KATZ
Duly Authorized