THE STATE OF NEW HAMPSHIRE

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February 25, 2011

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Re: DT 09-059, Petition of FairPoint Communications for Waiver of Performance Assurance Plan and Carrier to Carrier Reporting Requirements
DT 09-113, Petition of FairPoint Communications for Waiver of Performance Assurance

Plan Payment Requirements

Performance Assurance Plan Audit

To all parties in the named dockets:

The 2008 settlement agreement among the Joint Petitioners and Staff approved in Docket No. DT 07-011, regarding the transfer of assets from Verizon New England to FairPoint Communications, Inc. (FairPoint), contemplated that an audit would be conducted of FairPoint's wholesale performance assurance plan (PAP). In the event that a simplified PAP had not been adopted by June 1, 2010, or if efforts to develop a simplified PAP had terminated before that date, the audit would be conducted of FairPoint's existing PAP. The Commission has determined that, since a simplified PAP has not been adopted, an audit of the existing PAP should be conducted. Pursuant to Section 9.4 of the 2008 settlement agreement, the Commission will include in its distribution of a request for proposals any consulting firms identified by FairPoint by close of business March 4, 2011. The Commission will undertake this audit under the terms of the settlement agreement as well as its ongoing investigative authority under RSA 365:5.

Docket No. DT 09-059 relates, in part, to FairPoint's request to waive certain reporting requirements under the PAP. Docket No. DT 09-113 relates to FairPoint's request to modify the PAP to reduce the total dollars at risk pursuant to the PAP. The resolution of both dockets depends upon an understanding of the current PAP and its implementation. Because the Commission will be undertaking an audit of the PAP to develop such understanding, these dockets are stayed pending the completion of the audit.

Sincerely,

Debra A. Howland Will Debra A. Howland

Executive Director