

Exhibit 1

DEVINE MILLIMET

ATTORNEYS AT LAW

December 17, 2008

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VIA E-MAIL AND HAND DELIVERY

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: segTEL, Inc. Application for Certification

Dear Ms. Howland:

This letter is written on behalf of certain rural telephone company members of the New Hampshire Telephone Association, namely, Granite State Telephone, Inc., Merrimack County Telephone Company, Kearsarge Telephone Company, Dunbarton Telephone Company, Inc., Bretton Woods Telephone Company, Inc., Northland Telephone Company of Maine, Inc. and Dixville Telephone Company (the "NHTA Companies").

The NHTA Companies have become aware of a filing by segTEL, Inc. ("segTEL") seeking to conduct business as a telephone utility throughout the state, including in the exchange service territories served by the NHTA Companies. This letter is being submitted in order to preserve the legal position of the NHTA Companies. The Commission has not, as of yet, opened a docket in this matter, and there is, therefore, no formal proceeding within which to intervene. The NHTA Companies reserve all of their rights to assert the issues raised herein in future proceedings, and to respond to additional issues that might arise in any such proceedings. Pursuant to RSA 374:26, the NHTA Companies respectfully assert that they are not in agreement with the application and request a hearing thereon.

In the 2008 legislative session, the New Hampshire Legislature enacted Senate Bill 386, which became Laws 2008, Chapter 350. This law repealed RSA 374:22-f, which related to the service territories of telephone utilities serving fewer than 25,000 access lines.

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At the same time, the Legislature amended RSA 374:22-g to delete provisions limiting its application to companies serving more than 25,000 access lines. The statute as amended reads as follows:

“I. To the extent consistent with federal law and notwithstanding any other provision of law to the contrary, all telephone franchise areas served by a telephone utility that provides local exchange service, subject to the jurisdiction of the commission, shall be nonexclusive. The commission, upon petition or on its own motion, shall have the authority to authorize the providing of telecommunications services, including local exchange services, and any other telecommunications services, by more than one provider, in any service territory, when the commission finds and determines that it is consistent with the public good unless prohibited by federal law.

II. In determining the public good, the commission shall consider the interests of competition with other factors including, but not limited to, fairness; economic efficiency; universal service; carrier of last resort obligations; the incumbent utility's opportunity to realize a reasonable return on its investment; and the recovery from competitive providers of expenses incurred by the incumbent utility to benefit competitive providers, taking into account the proportionate benefit or savings, if any, derived by the incumbent as a result of incurring such expenses.

III. The commission shall adopt rules, pursuant to RSA 541-A, relative to the enforcement of this section.”

The effect of this legislative change is to create a new regulatory process for competitive entry into the service territories of rural telephone companies. The statute contemplates specifically a finding of public good and prescribes factors to be considered by the Commission in determining whether entry is consistent with the public good. This statute should be read in conjunction with RSA 374:22, which is the statute of general applicability with regard to authorization to engage in business as a public utility, and RSA 374:26, which requires a hearing for ruling on such applications unless interested parties are in agreement. It is well settled law in New Hampshire that a statute must be interpreted in the overall context of the applicable statutory scheme and not in isolation. *See State v. Langill*, 157 N.H. 77, 84 (2008) citing *Bendetson v. Killarney, Inc.*, 154 N.H. 637, 641 (2006).

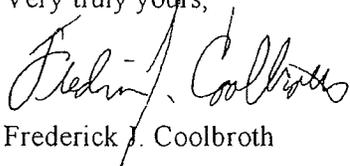
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The NHTA Companies believe that the Commission's existing simplified registration process in the Commission's Part 431 rules is not applicable to this filing. Puc 431.01(d) expressly provides that the authorization granted through such a registration extends to the service territories of "non-exempt ILECs". The NHTA Companies are exempt ILECs, and this process does not apply.

The factors involved in serving and providing universal service to rural telephone company service territories are materially different from those of the large ILECs. This difference was expressly contemplated in the rulemaking process relating to the PUC's Part 431 rules. To the extent that the PUC Part 431 process is consistent with the statutory framework as it relates to large ILECs (a matter as to which the NHTA Companies express no opinion), it is not applicable to the NHTA Companies, which have small, rural service territories. We note that the Commission has commenced a rulemaking proceeding to amend its Part 431 rules.

The NHTA Companies respectfully request that, prior to the granting of the requested authorization, the Commission conduct a hearing at which the NHTA Companies may present evidence regarding the public good standard as it relates to this application.

Very truly yours,



Frederick J. Coolbroth

FJC:kaa

cc: Office of Consumer Advocate
Kath Mullholand

Exhibit 2

AUTHORIZATION TO PROVIDE LOCAL EXCHANGE SERVICE

segTEL, Inc.

is authorized to provide local exchange service in the State of New Hampshire in all New Hampshire exchanges.

Debra A. Howland
Executive Director

Date: March 3, 2009

Authorization No. **DT 99-048** and Order No. **23,208**

This authorization is non-transferable
Pursuant to Puc 451.01(g)