

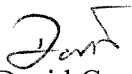
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STATE OF NEW HAMPSHIRE

Inter-Department Communication

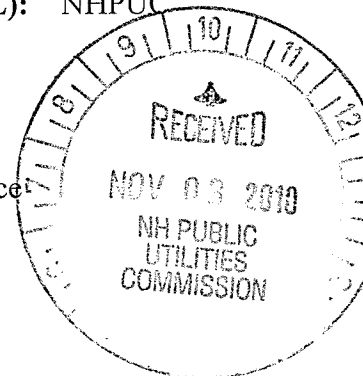
DATE: November 1, 2010

AT (OFFICE): NHPUC

FROM:  David Goyette, Utility Analyst III - Telecommunications

SUBJECT: DT 10-278 FairPoint Communications - NNE
Special Contract with Bank of America for Centrex Service

TO: Debra Howland, Executive Director
Kate Bailey, Director - Telecommunications



On October 15, 2010, Northern New England Telephone Operations LLC d/b/a FairPoint Communications - NNE (FairPoint) filed a special contract between FairPoint and Bank of America. Under the contract, FairPoint will provide Bank of America with Centrex service with standard features for a period of 12 months. During the term of the contract Bank of America may terminate up to 20% of the lines without termination liability; otherwise termination liability is based on rates set forth in the contract. Also during the term of the contract, Bank of America can order up to 20% more lines than the quantity initially ordered at rates set forth in the contract. In support of the filing, FairPoint submitted records and information, including contract terms and conditions, which are subject to confidential treatment pursuant to RSA 378:43.

Staff has reviewed the cost study data submitted by FairPoint and confirmed that the contract rates exceed the price floor requirements as defined in Order Nos. 23,357 and 23,493 (Docket No. DT 99-018). Based on its analysis, Staff recommends that the special contract be allowed to go into effect pursuant to RSA 378:18-b, II(a).