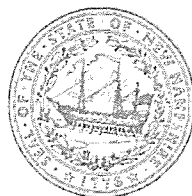


THE STATE OF NEW HAMPSHIRE

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NHPUC 13DEC13AM1150

December 12, 2013

Scott F. Eaton, Director
Administrative Rules Division
Office of Legislative Services
State House Annex, Room 219
25 Capitol Street
Concord, New Hampshire 03301

Re: Notice No. 2013-51 – Final Proposal
Puc 400 - Rules for Telephone Utilities
Commission Docket No. DRM 12-036

Dear Attorney Eaton:

On April 11, 2013, the Commission voted pursuant to RSA 541-A to initiate a rulemaking to readopt with amendments the Puc 400 Rules for Telephone Service. A rulemaking notice was filed with the Office of Legislative Services on April 25, 2013, as required by RSA 541-A:6. This filing included the Initial Proposal for readoption of the Puc 400 rules with amendments.

A public hearing on the Initial Proposal was held on May 28, 2013, pursuant to RSA 541-A:11, and written comments were received thereafter from the New Hampshire Telephone Association (NHTA), the New England Cable and Telecommunications Association, Inc. (NECTA), AT&T Corp. (AT&T), MCI Communications Services, Inc., d/b/a Verizon Business Services, and MCI metro Access Transmission Services LLC, d/b/a Verizon Access Transmission Services (Verizon), the CLEC Association of Northern New England, Inc. (CANNE), New Hampshire Legal Assistance, on behalf of The Way Home (NHLA), and the Office of the Consumer Advocate (OCA).

By letter dated August 15, 2013, the Commission requested an extension of the deadline for filing the Final Proposal, citing recent legislative amendments and the extensive and comprehensive comments filed by numerous stakeholders. On August 20, 2013, the Office of Legislative Services confirmed approval of the requested extension of the Final Proposal filing deadline until December 27, 2013.

On October 3, 2013, the Commission released a Draft Final Proposal, reflecting revisions to the Initial Proposal based on written comments received and recent legislative amendments, together with a related procedural schedule for review and comment on the

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Draft Final Proposal. A public hearing on the Draft Final Proposal was held on October 29, 2013, and written comments were received thereafter from NHTA, NECTA, AT&T, Verizon, and NHLA.

The public comments received in the Commission's docket were extensive, wide-ranging and detailed. In certain cases, there were differences among industry members on the same issues. Many of the comments were resolved through collaborative efforts between and among commenters and Commission staff. The remaining issues focus primarily on the scope of the Commission's regulatory authority with respect to the following:

1. The safety and adequacy of telephone utility facilities and equipment, and related operational, maintenance, and reporting obligations;
2. The offering and provision of "basic service" by incumbent local exchange carriers, including restrictions on discontinuance of basic service and complaints regarding basic service; and
3. The subset of "telecommunications services", as defined in federal law, that do not involve the conveyance of telephone messages for the public under the state law definition of "public utility" in RSA 362:2. This subset includes data services, such as Ethernet or frame relay, that are not "telephone messages, as well as wholesale services that are not "for the public." The proposed rules cover only telephone utilities engaged in the conveyance of telephone messages for the public under the state law definition of "public utility," and do not expand the Commission's state law jurisdiction to cover other data or wholesale services covered under the broader federal definition of "telecommunications services." Under the proposed rules, certain companies previously registered with the Commission under state law would no longer be required to obtain, or be eligible for, such registration because their business does not involve the conveyance of telephone messages for the public.

The Commission has thoroughly reviewed and evaluated each of the comments submitted during the rulemaking proceeding, and has made numerous significant changes in the proposed rules as a result of this review and evaluation. The text of the Final Proposal represents the Commission's considered judgment of the relevant statutory language and legislative intent, as well as policy determinations based on a balancing of the respective interests of telephone utility customers, various industry segments, and the general public.

On December 4, 2013, the Commission voted to establish the attached as the Final Proposal for the adoption of Puc 400. The Commission requests that the Joint Legislative Committee on Administrative Rules consider this Final Proposal for approval.

As required by the Rulemaking Manual, enclosed please find one copy of each of the following:

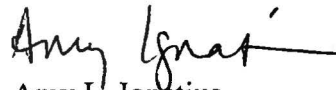
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- A completed Appendix II-G Cover Sheet for Final Proposal;
- The established text of the Final Proposed rule as the “Final Proposal-Fixed Text”, including the cross-reference table required by RSA 541-A:3-a, II as an appendix;
- The established text of the Final Proposed rule as the “Final Proposal-Annotated”; and
- A completed Appendix II-H Incorporation by Reference Statement.

Consistent with RSA 541-A:10, I and our filing of the Initial Proposal, electronic copies of the enclosed Final Proposal are being provided to Rep. David Borden, Chairman of the House Science, Technology and Energy Committee, and to Sen. Russell Prescott, Chairman of the Senate Energy and Natural Resources Committee, for distribution to members of those standing policy committees.

Thank you in advance for your assistance with this matter.

Sincerely,



Amy L. Ignatius
Chairman

Attachments
cc: Service List