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LK 13-058

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

Re: IR 13-038 Stakeholder Review of Utility Assessment System

Dear Ms. Howland:

This letter is submitted on behalf of AT&T Corp. and Teleport Communications America, LLC ("AT&T") in response to the Staff's Second Revised Straw Proposal for Recommendations to the Commission, dated July 30, 2013.

In both Staff's July 2 Straw Proposal and the Second Revised Straw Proposal, Staff proposes that telecommunications companies would be assessed based on 33% of their gross utilities revenues. As discussed more fully in AT&T's February 18, 2013 Revised Responses, the current utility assessment method should be changed to reflect the changed regulatory situation in New Hampshire after the 2012 enactment of Senate Bill 48. The two Straw Proposals to discount the revenues of telecommunications companies by two thirds in the allocation method would be a step in that direction. Currently, the revenues of certain rural electric cooperatives are also discounted by two-thirds in the allocation method used for those cooperatives.

There are, however, two areas where AT&T would like to see modifications to the Proposals. First, for reasons set forth in AT&T's February 18, 2013 Revised Response, the assessment of telecommunications companies should be based only on their gross intrastate revenues. Second, assessments on Excepted Local Exchange Carriers should not include expenses related to the Office of the Consumer Advocate.

We look forward to continuing to work with you and other stakeholders. Please let me know if you have any questions.

Yours truly,

Nancy J. Hertel

Cc: Service List (electronic mail only)