

STATE OF NEW HAMPSHIRE

Inter-Department Communication

NHPUC 23MAY16PM1:27

DATE: May 23, 2016

AT (OFFICE): NHPUC

FROM: ^{ML} Michael Ladam, Director, Regulatory Innovation and Strategy

SUBJECT: DT 16-509, Northern New England Telephone Operations LLC
Notification of Basic Services Price Increases

TO: Commissioners
Debra Howland, Executive Director

CC: David Wiesner, Staff Attorney

On April 21, 2016, Northland Telephone Company of Maine, Inc d/b/a FairPoint Communications (“Northland”) filed a notification with the Commission that it is raising its rates for residential “basic service.” Northland offers service in two New Hampshire exchanges and charges the same rate for basic service in each exchange.

Northland has previously charged \$11.46 for basic service. The new rate announced in its recent filing is \$12.60 or \$12.03 for service provided to Lifeline customers. Staff confirms that these new rates are respectively 10% and 5% higher than the previous rate and therefore fall within the cap. No Commission action is required.

Rate increases for residential basic service for carriers such as Northland are subject to an annual cap, under RSA 374:22-p, VIII. Carriers subject to this cap are not required to obtain Commission approval of their rate increases. However, in Staff’s assessment, the requirement that these carriers file a notification of the rate increases suggests that the Commission should review these increases and determine whether they appear to fall within the cap.

Staff notes that Northland is owned by the same parent corporation as Northern New England Telephone Operations LLC (“FairPoint”). FairPoint notified the Commission of an increase to its basic rates in Docket DT 16-510, also filed on April 23, 2016. The FairPoint rate change was more complicated for two reasons: FairPoint has eight categories of basic service compared to a single category for Northland, and FairPoint unlike Northland recovers utility pole property tax assessments from basic service customers. Neither of these complicating factors is presented with respect to Northland’s filing.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

- a) **Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**
- DEBRA A HOWLAND
EXECUTIVE DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) **Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) **Serve a written copy on each person on the service list not able to receive electronic mail.**