



New Hampshire Public Utilities Commission Staff Advocates

Docket No. 10-025

Respondent: Kate Bailey
Director of
Telecommunications

Request: Staff

Dated: March 31, 2010

Item: Staff: Staff ADV-2 Please refer to "Post Filing Regulatory Settlement: New Hampshire" item 2.7. If FairPoint does not expand broadband availability beyond 75%, what penalties will accrue at what dates, and what expenditures beyond normal operational costs will the company be required to make?

Reply: In the event FairPoint does not expand broadband beyond 75%, and assuming it has not paid any penalties, FairPoint would pay a \$500,000 penalty to the Telecommunications Planning and Development Fund for missing the December 31, 2010 deadline, and would be required to spend an additional \$4.5 million on Commission approved projects. After April 1, 2013, FairPoint would accrue the requirement to spend an additional \$10 million every 6 months, on Commission approved projects.