



January 30, 2012

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*Via Electronic Delivery*

Debra A. Howland  
Executive Director & Secretary  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429

**Re: DT 07-011 Verizon New England Inc., Bell Atlantic Communications Inc.,  
NYNEX Long Distance Co., Verizon Select Services Inc., and FairPoint  
Communications, Inc.**

Dear Ms. Howland:

This correspondence is sent on behalf of Northern New England Telephone Operations LLC d/b/a FairPoint Communications - NNE ("FairPoint") in response to the Memorandum, dated January 25, 2012, filed by Michael Ladam, Assistant Director of Telecommunications, in connection with the above captioned docket. In that Memorandum, the Staff recommended that the Commission direct FairPoint to apply a credit of \$0.99 per month to certain retail customers, beginning with billing statements issued April 1, 2012, and ending when credits of \$2,590,418 have been applied to those billing statements.

FairPoint respectfully requests that the Commission not adopt the Staff's recommendation at this time and further requests that the Commission provide FairPoint and the Staff some period of time to meet and discuss the use of the service quality penalty funds for broadband expansion in New Hampshire's North Country. FairPoint submits that a minimal service credit to retail customers provides minimal to no meaningful economic benefit to the residents of New Hampshire. However, the expansion of broadband to unserved areas of New Hampshire, especially those residents in New Hampshire who are hardest to reach, could provide meaningful economic benefits to the State. In making this request, FairPoint is mindful that it has broadband expansion obligations arising out of the Commission's Order No. 25,129. As such, any discussions related to the use of service quality penalties for broadband expansion necessarily would be related to the expansion of broadband beyond the requirements set forth in Order No. 25,129. In the event FairPoint and the Staff cannot agree to terms of any further

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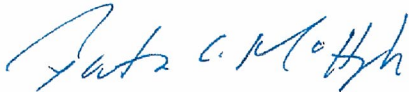
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broadband expansion, the recommendation set forth in Mr. Ladam's Memorandum could be acted upon in an expeditious manner by the Commission.

I note that a FairPoint affiliate reached agreements similar to that discussed above in Vermont with the Vermont Department of Public Service. The Vermont Public Service Board is considering the agreements in Docket Nos. 7725 and 7726.

Please do not hesitate to contact me in the event you need further information concerning the above.

Very truly yours,

A handwritten signature in blue ink that reads "Patrick C. McHugh". The signature is written in a cursive style with a large initial "P".

Patrick C. McHugh

Electronic Cc: Service List DT 07-011