

ORIGINAL	
N.H.P.U.C. Case No. DT 07-011	Responses to Record Requests
Exhibit No. Updated RR-2	Issued at March 19, 2012 Hearing
Witness	April 6, 2012
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DT 07-011

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**PUBLIC**

2. FairPoint must provide a financial analysis as to the scope of whether FairPoint will lose money on the expansion or make money on an expansion. One of the clear concerns of one of the Commissioners was that FairPoint will lose money on such an endeavor (i.e., costs of installing, maintaining, repairing and replacing the equipment, plus the costs of customer premise based maintenance, will exceed the revenues generated by the new broadband customers) and FairPoint simply will terminate service after a couple of years.

**Response:**

FairPoint hereby provides a confidential "Financial Summary" of a broadband expansion project. The Financial Summary reflects a three (3) year projection of the financial impact to build broadband to certain New Hampshire exchanges. The summary represents a good faith effort to address the question raised by the Commission during the hearing of March 19, 2012. Final costs cannot be determined pending further engineering, construction and provisioning work being undertaken later in 2012. To the extent the Commission has questions related to the enclosed Financial Summary, FairPoint is more than willing to address these questions in a format most convenient to the Commission. As such, FairPoint can address further questions submitted as record requests, in a confidential technical session or hearing format.