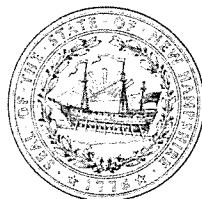


THE STATE OF NEW HAMPSHIRE



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June 3, 2009

Patrick C. McHugh
Devine, Millimet & Branch
111 Amherst Street
Manchester NH 03101

Re: DT 07-011, FairPoint Communications

Dear Mr. McHugh:

During the June 1, 2009 status conference in this docket, the Commission directed FairPoint to meet with the Office of Consumer Advocate and Staff to discuss FairPoint's collection plans and the issues raised in a memorandum submitted to the Commission that day by Amanda Noonan, Director of the Division of Consumer Affairs. On June 2, 2009, Staff filed with the Commission its report of the discussions with FairPoint and the OCA along with recommendations regarding collections, credit reporting and disconnection notices. On June 3, 2009, the OCA filed a letter suggesting a modification to one of Staff's recommendations and supporting the remaining recommendations. FairPoint also filed a response to Staff's report of the discussions.

While customers have a responsibility to pay their bills for service provided by FairPoint, FairPoint has a responsibility to provide timely and accurate bills to its customers. The Commission has received e-mails, letters and phone calls from customers who are experiencing difficulty receiving accurate bills from FairPoint and have been unable to resolve the issues on their own. These complaints raise concerns about whether FairPoint has been delivering bills that are accurate and timely, and whether FairPoint is resolving legitimate billing issues promptly.

Having considered Staff's recommendations, the OCA's proposed refinement, and FairPoint's response, the Commission has determined that FairPoint may proceed with collections activities as described below for the 2,775 customers identified by Mr. Allen as having balances for basic service in excess of \$750 and for non-basic services in excess of \$500 as follows:

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- Mail notices to one half of the 2,775 customers identified above. If possible, those customers with the highest past due balances would be included in this first mailing.
- Provide the Commission with the following information regarding the first mailing within 1 week of the disconnection date on the notice:
 - The number of notices sent;
 - The number of calls generated by the notices;
 - The number of notices returned as undeliverable;
 - The number of payment arrangements entered into;
 - The number of disputed bills;
 - The number of disputed bills that were determined by FairPoint to be incorrect;
 - The number of disputed bills that were determined to be correct; and
 - The number of customers whose service was disconnected.
- No notices shall be mailed to the remaining one half of the customer group identified by Mr. Allen at the status conference until the Commission has reviewed the requested information and determined that those customers would not be unduly harmed by the resumption of collection activities.

At this point, it would be premature to require FairPoint to send a letter to future customers whom FairPoint identified as being eligible for collection activity as Staff and the OCA have recommended. However, FairPoint should be prepared to provide such a letter to its customers should the Commission deem it appropriate for subsequent notices.

While not part of the discussions between Staff, the OCA and FairPoint, many of the letters, e-mails and phone calls the Commission has received from customers raise concerns regarding the impact of billing issues on customers' credit ratings. Until such time as FairPoint has provided the Commission with its policies and/or processes for reporting its customers to credit bureaus and other credit rating agencies and the Commission has reviewed said policies and/or processes, FairPoint shall not report its customers to credit bureaus and other credit rating agencies.

Sincerely,



Debra A. Howland
Executive Director

cc: service list
Jeff Allen

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