



**State of New Hampshire
Public Utilities Commission**

**Docket No. DT 10-025
FairPoint Communications, Inc., et al.**

Respondent: Michael Skrivan
Title: Vice President, Regulatory
Affairs

REQUEST: NHPUC Staff
Set 1

DATED: March 17, 2010

ITEM: STAFF-13 Please refer to “Post Filing Regulatory Settlement: New Hampshire” item 2.7. If FairPoint proposes a plan for spending its New Hampshire broadband penalty commitments but the New Hampshire PUC rejects the plan, does FairPoint incur any financial penalty? If a proposal / rejection cycle continues indefinitely, does any financial penalty occur?

REPLY: FairPoint is committed to working cooperatively with the Commission and its Staff with respect to the development of any plan for spending funds in accordance with Section 2.7 of the Post-Filing Regulatory Settlement - New Hampshire, between FairPoint and the Commission’s Staff Advocates dated as of February 5, 2010 (the “Regulatory Settlement”). FairPoint does not anticipate an “indefinite rejection cycle”. Nonetheless, if the Commission rejects a proposed spending plan, no additional penalties accrue to FairPoint.