

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE**

TACONIC TELEPHONE CORP.)	
d/b/a CONSOLIDATED)	
COMMUNICATIONS)	
)	
and)	D.T.C. 21-4
)	
TACONIC TELCOM CORP.)	
d/b/a CONSOLIDATED)	
COMMUNICATIONS LONG)	
DISTANCE)	
)	

**JOINT MOTION FOR APPROVAL OF
SETTLEMENT AGREEMENT**

Taconic Telcom Corp. d/b/a Consolidated Communications Long Distance and Taconic Telephone Corp. d/b/a Consolidated Communications (collectively “the Company”) and the Department of Telecommunications and Cable Settlement Intervention Staff ("Settlement Staff") (collectively, the "Settling Parties"), having entered into a settlement agreement dated as of February 9, 2022 (the “Settlement Agreement”), hereby jointly request the Department of Telecommunications and Cable (the "Department") to approve the Settlement Agreement submitted herewith. This Settlement Agreement, if approved by the Department, will resolve the issues specified in the Settlement Agreement and eliminate the need for the Department to adjudicate the Company’s revenue requirement, thereby avoiding costs of resource consuming litigation. By its terms, the Settlement Agreement must be approved in its entirety or be null and void. The Settling Parties respectfully request that the Department issue an order approving this Settlement Agreement on or before February 15, 2022.

WHEREFORE, the Settling Parties request that the Department grant this joint motion and make the following findings:

- (1) The terms of the Settlement Agreement are reasonable; and
- (2) Implementation of the terms of the Settlement Agreement will result in just and reasonable rates for the Company.

Respectfully submitted,

MASSACHUSETTS DEPARTMENT OF
TELECOMMUNICATIONS AND CABLE
SETTLEMENT STAFF

By Its Counsel,

/s/ Courtney A. Walker

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Massachusetts Department of
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TACONIC TELEPHONE CORP.
d/b/a CONSOLIDATED
COMMUNICATIONS

By Its Counsel,



Sarah A. Davis
Sr. Director – Government Affairs
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TACONIC TELCOM CORP.
d/b/a CONSOLIDATED
COMMUNICATIONS LONG
DISTANCE

By Its Counsel,



Sarah A. Davis
Sr. Director – Government Affairs
Consolidated Communications
5 Davis Farm Rd.
Portland, ME 04103

Dated: February 9, 2022

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DEPARTMENT OF TELECOMMUNICATIONS AND CABLE**

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DISTANCE)	
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SETTLEMENT AGREEMENT

This Offer of Settlement (the "Settlement Agreement") is jointly sponsored this 9th day of February, 2022 by Taconic Telcom Corp. d/b/a Consolidated Communications Long Distance and Taconic Telephone Corp. d/b/a Consolidated Communications (collectively "the Company") and the Department of Telecommunications and Cable Settlement Intervention Staff ("Settlement Staff") (collectively, the "Settling Parties"). The Settlement Agreement is filed with the Department of Telecommunications and Cable (the "Department") in order to address issues related to the Company's tariffs filed on March 1, 2021 proposing various rate increases.

By its terms, the Settlement Agreement must be approved in its entirety or be null and void. The Settling Parties respectfully request that the Department issue an order approving this Settlement Agreement on or before February 15, 2022.

ARTICLE I

BACKGROUND

- 1.1 The Company is a telephone provider under the jurisdiction of the Department. The Company provides telecommunications services to customers within the borders of Hancock, Massachusetts.
- 1.2 On March 1, 2021, the Company filed tariffs proposing, respectively, to (1) increase Taconic Telcom Corp.'s Voice Advantage and Voice Advantage II In-State Calling Plans by \$0.50

(“MDTC No. 3”) and (2) increase Taconic Telephone Corp.’s residential access line rates by \$2.00 and increase its Voice Advantage and Voice Advantage II bundles by \$2.50 (“MDTC No. 5”).

1.3 On August 12, 2021, the Department issued a notice of a public hearing in news publications servicing Hancock that outlined the Company’s proposed changes in its tariffs. On September 28, 2021, the Department held the public hearing.

1.4 From August 12, 2021 to September 15, 2021, the Department held a period to accept written public comment on this matter.

1.5 The Company subsequently responded to approximately 20 information requests issued by the Department and Settlement Staff.

1.6 Based on Settlement Staff’s review of discovery responses and settlement discussions with the Company, Settlement Staff determined that the Company has shown that the requested rate increases are consistent with Department precedent and public interest and will result in just and reasonable rates for the Company.

1.7 In particular, Settlement Staff recognizes the reduction and anticipated removal of federal high cost support for Consolidated’s voice services due to reforms to the Federal Communications Commission’s universal support and intercarrier compensation policy. *See* Consolidated response to D.T.C. 2-6; *see* 47 CFR § 51.915; *see* 47 CFR § 54.312.

1.8 Settlement Staff further recognizes that the Department has previously considered adjusting for exogenous costs, such as changes in federal policy affecting the telecommunications industry, when determining revenue requirements for just and reasonable rates. *See* D.T.E. 98-67 at 12.

ARTICLE II

MATTERS AGREED UPON BY THE PARTIES

- 2.1 As an alternative to a fully litigated rate case, the Settling Parties agree to the following terms detailed below.
- 2.2 On March 15, 2022, Taconic Telcom Corp. d/b/a Consolidated Communications Long Distance will increase its Voice Advantage and Voice Advantage II In-State Calling Plans by \$0.50 in accordance with MDTC No. 3. On March 15, 2022, Taconic Telephone Corp. d/b/a Consolidated Communications will increase its residential access line rates by \$2.00 and initiate an increase to its Voice Advantage and Voice Advantage II bundles by \$2.50 in accordance with MDTC No. 5.
- 2.3 The Company will give adequate notice to affected customers prior to the increases taking effect in accordance with 207 CMR 12.06.

ARTICLE III

CONDITIONS

- 3.1 The Department's approval of this Settlement Agreement shall not be accorded precedential weight in future Department proceedings except as specifically provided for herein.
- 3.2 This Settlement Agreement is the product of settlement negotiations. The Parties agree that all offers of settlement shall be without prejudice to the position of any party or participant presenting any such offer or participating in such discussion; and, except to enforce rights related to this Settlement Agreement or defend against claims made under this Settlement Agreement, that they will not use the content of said negotiations in any manner in this or other proceedings involving one or more of the parties to this Settlement Agreement, or otherwise.

- 3.3 The Settling Parties intend that the Company's customers receive the full value of the settled matters, and not some substitute regulatory treatment of lesser value either now or in the future, and agree that no terms of this Settlement Agreement will be used or interpreted to diminish, in any way, the intended customer benefit related to this Settlement Agreement.
- 3.4 The provisions of this Settlement Agreement are not severable. This Settlement Agreement is conditioned on its approval in full by the Department for effect March 15, 2022. This Settlement Agreement is also contingent upon the provision of accurate and truthful information by the Company during the settlement process.
- 3.5 To the extent permitted by law, the Department shall have continuing jurisdiction to enforce the terms of this Settlement Agreement.
- 3.6 The Terms of this Settlement Agreement will be governed by Massachusetts law and not the law of some other state. This Settlement Agreement will be effective upon approval by the Department, regardless of any pending appeals or motions for reconsideration, clarification, or recalculation.

ARTICLE IV

CONCLUSION

- 4.1 The Settling Parties agreed to petition jointly to the Department to approve this Settlement Agreement by submitting a Joint Motion for Approval of Offer of Settlement Agreement in accordance with 207 C.M.R. § 1.02(9).
- 4.2 Each of the persons signing this Agreement represents and warrants that they are duly authorized to sign this Agreement. This Agreement may be executed in multiple counterparts

with the same effect as if all signing Parties had signed the same document. All counterparts shall be construed together and constitute the same document.

The foregoing Settlement Agreement is executed as of February 9, 2022.

MASSACHUSETTS DEPARTMENT OF
TELECOMMUNICATIONS AND CABLE
SETTLEMENT STAFF

By Its Counsel,

/s/ Courtney A. Walker

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Dated: February 9, 2022