~~2015-2019~~ 2022-2025 VERMONT INCENTIVE REGULATION PLAN FOR CONSOLIDATED COMMUNICATIONS ~~FAIRPOINT~~

Effective ~~January~~ August 1, 2022~~15~~

This 2022-2025 ~~2015-2019~~ Vermont Incentive Regulation Plan ("Plan") is established pursuant to 30 V.S.A. § 226b. The Plan establishes the method by which the Public Utility Commission ("Commission") ~~Service Board ("Board")~~ will regulate all retail intrastate telecommunications products and services offered in Vermont by Consolidated Communications ~~Telephone Operating Company~~ of Vermont Company, LLC and Consolidated Communications of Northland Company (collectively "Consolidated" ~~"FairPoint"~~ or the "Company"), during the term of the Plan.

I. Term of the Plan

A. The Plan shall commence on ~~January~~ August 1, ~~2015~~2022and terminate on ~~December~~ July 31, ~~2019~~2025. If the ~~Board~~ Commission finds that ~~FairPoint~~ Consolidated is in material violation of any term or condition of the Plan, it may, at its option, terminate the Plan at any time in which case all further obligations under the Plan shall terminate.

B. ~~FairPoint~~ Consolidated shall confer with the Department of Public Service ("Department") regarding a renewal of the plan or a successor plan at least one year prior to the conclusion of the Plan. Subsequent to conferring and consulting with the Department, but not less than ten months prior to the conclusion of this Plan, ~~FairPoint~~ Consolidated shall convey to the ~~Board~~ Commission and Department the Company's intention regarding a renewal or a proposal for a successor plan, if any. In no event may this Plan continue in effect beyond the seven-year deadline set out in 30 V.S.A. § 226b(j).

II. Changes in pricing, terms, and conditions of Residential and Business Basic Local Exchange Service

A. The Company shall continue to provide existing residential and business basic local exchange services ("BLES") throughout the term of the Plan. For purposes of this Plan, Tier 1 Areas mean those municipalities where less than 98% of the total locations have access to broadband internet access of at least 25 Mbps download and 3 Mbps upload based on data compiled by the Department. The current Tier 1 Areas are listed in Attachment B to this Plan. Consolidated shall review these Tier 1 Areas with the Department on an annual basis and may modify these locations annually if subsequent municipalities achieve this level of broadband availability based on broadband availability data compiled by the Department. For purposes of this Plan, Tier 2 Areas mean those municipalities included in whole or in part within Consolidated's local service territory where 98% or more of the total locations have access to broadband internet access of at least 25 Mbps download and 3 Mbps upload based on data compiled by the Department.

B. ~~It~~ Consolidated may increase or decrease BLES rates at any time in Tier 1 Areas, upon submission of a notice to the Commission and Department,~~;~~ provided that the aggregate increase in BLES rates in any year during the term of the Plan shall not exceed ~~the greater of (a)~~ eleven percent or $2.00 per year (whichever is less)~~, and (b) any increase required to meet the Federal Communications Commission's ("FCC's") rate floor (or benchmark) relating to high cost support pursuant to 47 C.F.R. §54.318(b)~~. Consolidated may increase or decrease BLES rates at any time in Tier 2 Areas, upon submission of a notice to the Commission and Department, provided that the aggregate increase in BLES rates in year 1 of the Plan shall not exceed $5.00 per year and the aggregate increase in BLES rates in year 2 of the Plan shall not exceed $10.00 per year. The Company may revise BLES tariff terms and conditions only upon ~~Board~~ Commission approval.

~~B~~C. BLES shall mean the Company's basic local exchange service enabling calling within a local exchange area (dial tone and local measured service only), unbundled from any other service offering of the Company. BLES subscribers are entitled to purchase any other stand-alone service offerings offered by the Commission for which they are eligible.

~~C~~D. Any increase or decrease in BLES rates shall be implemented at the same time in the same manner for ~~in~~ all ~~FairPoint~~ Consolidated BLES customers in Tier 1 Areas ~~local exchanges~~.

III. Changes in the pricing, terms and conditions of all other Vermont intrastate retail telecommunications products and services

A. This Plan applies only to the retail services described in ~~Fair Point's former tariff 20 as it existed on April 1, 2011~~ Consolidated's Vermont PUC No. 1 Tariff.

B. ~~FairPoint~~ Consolidated shall maintain a statement of rates terms and conditions of service for all retail services it offers, which shall be posted on the Company's website.

C. During the term of the Plan, the Company may increase or decrease prices, and change terms and conditions, for intrastate retail telecommunications products and services other than BLES at any time.

~~D. The pricing terms and conditions for special contracts and other Section 229 arrangements shall not be more advantageous than those offered in the SGA-T. These special contracts shall be filed with the Department and the Board and shall take effect immediately. The Department and/or Board may seek an investigation into special contract filings.~~

~~E~~D. The Company may offer any product or service that is subject to price regulation on a promotional basis, for up to one year, without limitation as to dates, and times of the offerings, customers eligible to receive the offerings, and/or locations where offerings are made. Pricing terms and conditions of promotional offerings shall be at the sole discretion of ~~Fair Point~~ the Company.

~~F~~E. Promotional offerings offered for a term exceeding three months must be posted on the Company website.

~~G~~F. Nothing herein prevents the Department from claiming that any prices, terms, conditions or promotional offerings not subject to price constraints under this Plan are inconsistent with generally-applicable laws.

IV. Exemptions

Sections 225, 226, 227, and 229 of Title 30 shall not apply, except as specified herein. ~~Fair Point~~ Consolidated shall continue to file tariffs during the term of the Plan only with respect to BLES and switched access. Section 218(a) shall not apply, except as specified herein and for dedicated transport and special access services, including but not limited to intrastate DS-1 and intrastate DS-3 point to point services.

V. Service Quality

A. ~~FairPoint~~ Consolidated shall continue to comply with service quality standards, consumer protection standards, and privacy protections adopted by the ~~Board~~ Commission in Docket 5903 (and as may be subsequently modified or incorporated into rules) in Tier 1 Areas, with the following modification(s).

1. The current metrics: 1) Out of Service Troubles Cleared w/in 24 Hrs.: Residential, and 2) Out of Service Troubles Cleared w/in 24 Hrs.: Business, shall both be changed to measure the Out of Service Troubles Cleared within 48 hours and shall measure the percentage of customers that are out of service for 48 hours or more as opposed to 24. The Baseline standard for these metrics shall be changed from 70% to 80% and the Action Level shall be changed from 60% to 70%.

2. Consolidated will issue enhanced bill credits to customers for outages longer than 48 hours as follows: (a) if Consolidated fails to reinstate residential or business BLES within 48 hours of being reported to or discovered by Consolidated, the Company will provide the customer an Interrupted Service Credit pursuant to Commission Rule 7.609 and a daily credit of $5 for residential customer or $10 for business customer beginning 48 hours after report/discovery of the outage. For outages lasting longer than 10 days, a credit of $10 per day for residential customers or $20 per day for business customers will be provided for the 11th and succeeding days.

B. Consolidated shall continue to comply with all other service quality standards in Docket 5903 in Tier 1 Areas (and as may be subsequently modified or incorporated into rules).

C. ~~FairPoint~~ Consolidated shall comply with any wholesale service quality standards adopted in Docket 6255 and as modified in ~~or~~ successor proceedings.

D. Emergency Household Trouble Report Rate - Consolidated will expedite the repair/restoration of a customer's BLES service that is designated an Emergency Household. Emergency households are those residential customers that notify Consolidated of a medical or other emergency and/or condition which could place the customer at risk of suffering serious harm during a telecommunications service outage. Consolidated will, as needed, update its training and protocols for repair personnel to ensure its representatives prioritize repair and restoral of Emergency Household telephone service. As part of its ~~monthly~~ retail quality of service reporting, Consolidated will report the Emergency Household Trouble Report Rate, which is defined as the number of combined Emergency Households troubles reported divided by the number of Consolidated access lines servicing Emergency Households (times 100). This metric includes service-affecting trouble reports caused by: outside plant conditions, central office conditions, found OK in the central office, found OK in outside plant attributable to the network, and found OK prior to dispatching a technician. This metric excludes trouble reports related to: customer premises equipment, special services, interexchange carrier access services, and subsequent reports on an existing trouble. The Baseline standard is: rate shall not exceed an average of 2 troubles per 100 access lines per month. The Action Level is: the rate shall not exceed 4 troubles per 100 access lines. ~~number of service outages for Emergency Households and the percentage of those outages restored within 48 hours. The Baseline standard for this metric shall be 100%.~~

E. As of 11/5/2021, Consolidated reports that 26 Vermont communities remain susceptible to host-remote isolation, eleven (11) communities do not have route or physical diversity, and seventeen (17) communities have partial diversity. Within 30 days of the IRP going into effect, Consolidated shall present the Department and Commission with a best-estimate mitigation plan and deployment schedule. The mitigation plan and deployment schedule will be the end of the IRP term and at a minimum involve providing redundancy for three of the eleven communities that currently do not have route or physical diversity and to reduce by eight ~~half~~ the number of exchanges subject to partial diversity. Consolidated will report status of its mitigation plan quarterly.

VI. Other Provisions

~~1~~A. Except to the extent provided herein, during the term of the Plan ~~FairPoint~~ Consolidated shall comply with all applicable obligations imposed in ~~Board~~ Commission Docket ~~7270 and in Case No. 09-16335 (BRL)~~ 8881.

~~2~~B. The Company shall not be obligated to file reports with the ~~Board~~ Commission or Department during the term of this Plan other than (a) the reports identified in Attachment A (and any reports and other compliance filings the Company has agreed to file/submit in connection with specific Commission proceedings) and (b), upon request, copies of reports required to be filed with the Federal Communications Commission and Securities and Exchange Commission.

~~3. The Company shall be able to invest Federal High Cost Universal Service Funds to upgrade local loop plant or infrastructure, or for any other purposes provided for by federal or state law.~~

4C. Nothing herein shall be construed so as to preclude the Company from opting into any subsequently enacted regulatory scheme (if applicable).

~~D. Consolidated commits to completing all Rural Digital Opportunity Fund (“RDOF”) funded projects in the 78 census block groups awarded to Consolidated within 4 years. Within 30 days of the IRP going into effect, Consolidated shall present the Department and Commission with a plan to comply with this commitment.~~

VII. Modifications

~~FairPoint~~ Consolidated or the Department may petition the ~~Board~~ Commission to modify any of the terms or conditions of the Plan: (i) to reflect the impact of relevant provisions or decisions enacted or issued by federal or state legislative, judicial or administrative bodies subsequent to the ~~Board's~~ Commission’s approval of the Plan; or (ii) to seek a revised form of regulation of the Company's operations based upon changes in market conditions. In any proceeding, the burden shall be on the petitioner to establish a reasonable basis for the modification. A request for modification under this section shall be limited to events that are both material and were not reasonably foreseeable.

Exhibit DPS-AA-3

Attachment A

REQUIRED REPORTS

1. Docket No. 6255 (or successor proceedings) Wholesale Service Quality.

2. Rule 7.600 Disconnection Report.

3. Annual Report filed pursuant to 30 V.S.A. § 22(a).

4. Service Quality Performance Index reports associated with Docket No. 5903, as modified herein.

5. Quarterly status reports detailing mitigation/resolution efforts regarding host-remote isolation vulnerabilities in Consolidated's Vermont wireline telephone network.

6. ~~Semi-annual reports detailing progress of fiber deployment to locations associated with Consolidated's RDOF and non-RDOF investments.~~