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January 6, 2017

Chairman David Danner
Commissioner Ann Rendahl
Commissioner Philip Jones
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: FairPoint/Consolidated Transaction

Dear Commissioners,

I am writing to you on behalf of Consolidated Communications Holdings, Inc. (Consolidated) and FairPoint Communications, Inc. (FairPoint). The purpose of this letter is to provide you with some information about the acquisition of FairPoint by Consolidated. As you are aware, FairPoint has two operating company subsidiaries in the State of Washington, which are Ellensburg Telephone Company (Ellensburg) and YCOM Networks, Inc. (YCOM).

The proposed transaction is an all stock merger using a form of transaction known as a reverse triangular merger. Under the terms of the agreement signed by Consolidated and FairPoint, FairPoint shareholders will receive a fixed exchange ratio of 0.7300 shares of Consolidated common stock for each share of FairPoint common stock. It is also intended that existing FairPoint debt will be refinanced as part of the transaction.

It is expected that the transaction will be concluded mid-year, 2017. The shareholders of both companies still need to approve the transaction and certain regulatory requirements are required. While Ellensburg and YCOM hold exemptions under statute that mean approval of the transaction by the Washington Utilities and Transportation Commission is not required, Consolidated and FairPoint want to let you know how the transaction is proceeding.

For you information, Consolidated does have a subsidiary that has a presence in Washington. That subsidiary is Consolidated Communications Enterprise Services, Inc., which is a Delaware corporation. As the name suggests, the subsidiary provides non-regulated enterprise services to customers within the State of Washington.

While certain assets of Ellensburg and YCOM will be pledged as security as part of the refinancing transaction, it is not contemplated that there will be any change in regulated operations of Ellensburg and YCOM as a result of this transaction. The same set of services will

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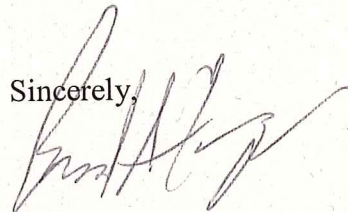
be offered at the same set of tariff prices. Of course, operating circumstances can always change and there may be beneficial changes in the future, but there will be no immediate changes as a result of this transaction. In other words, other than change of the assumed name from FairPoint to Consolidated at some point, the transaction will be transparent to the customers.

In the long run, the customers of Ellensburg and YCOM will benefit from having a larger, financially stronger parent corporation. The whole point of this transaction is to create a highly competitive business and broadband company with a superior network to deliver high quality services. As an example, on a pro forma basis, the combined company generated more than \$1.5 billion in revenue and \$566 million in adjusted EBITDA for the twelve months ending September 30, 2016.

It is anticipated that Ellensburg and YCOM will remain members of WITA and will be active in intrastate matters.

If you have any further questions about the transaction, Consolidated and FairPoint commit to address those questions.

Sincerely,



Richard A. Finnigan

RAF/cs

cc: Client (via email)
Jing Roth (via e-mail)
Roger Hahn (via e-mail)
Tim Zawislak (via e-mail)