

Fairpoint Communications Inc
Summary of FCC Waiver FUSC Rates
2nd Quarter 2008

WP USF - 1
Transmittal Number 1

<u>Service Type</u>	<u>State/Area</u>	<u>Calculated FUSC Rate (a)</u>
Res	NE	\$ 0.71
Non-Primary Res	NE	0.71
Single Line Bus	NE	0.71
Multi Line Payphone	NE	0.71
BRI - ISDN	NE	1.37
PRI - ISDN	NE	12.85
Multi Line Bus - Other	NE	1.04
PBX Trunk w/o End User Port Charge	NE	1.04
PBX Trunk with End User Port Charge	NE	1.25
Centrex (>= 9 Lines)	NE	0.12
Centrex (8 Lines)	NE	0.13
Centrex (7 Lines)	NE	0.15
Centrex (6 Lines)	NE	0.17
Centrex (5 Lines)	NE	0.21
Centrex (4 Lines)	NE	0.26
Centrex (3 Lines)	NE	0.35
Centrex (2 Lines)	NE	0.52
Centrex (1 Line)	NE	1.04

Fairpoint Communications Inc
Calculation of FUSC Rates
2nd Quarter 2008

Service Type	Area	State	(SLC)	(LNP)	(Port Chg)	Sum	2nd Quarter 2008 Contribution	USF Rate
			(a)	(b)	(c)	(d = a+b+c)	(e = .113)	(f = d x e)
Res, SL Bus	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Non-Primary Res	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Multi Line Bus - Payphone	Fairpoint	NE	6.29	0	N/A	6.29		0.71
BRI - ISDN	Fairpoint	NE	6.29	0	1.90	8.19		0.93
PRI - ISDN	Fairpoint	NE	31.45	0	46.01	77.46		8.75
Multi Line Bus - Other Except PBX & Flexpath & PSP	Fairpoint	NE	6.29	0	N/A	6.29		0.71
PBX Trunks & Flexpath w/o Line Port Charges	Fairpoint	NE	6.29	0	N/A	6.29		0.71
PBX Trunks with End User Port Charge (DID / Flexpath)	Fairpoint	NE	6.29	0	1.21	7.50		0.85
Centrex (>= 9 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (8 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (7 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (6 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (5 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (4 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (3 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (2 Lines)	Fairpoint	NE	6.29	0	N/A	6.29		0.71
Centrex (1 Line)	Fairpoint	NE	6.29	0	N/A	6.29		0.71

Fairpoint Communications Inc
Ratemaking for FUSC Per-line using Centrex Equivalency
2nd Quarter 2008

WP USF - 3
Transmittal Number 1

Service Type	State	FCC Order - Separate Rates			Monthly FUSF Req.			FCC Waiver	Accuracy Validation	
		Billing	Max USF Rate	Full Rate	CTX Rates	Monthly	Adjusted	Adjusted ML	Total	Variance
		Lines	Prior to Waiver	Requirement	PICC Structure	CTX Loss	Revenue Base	Rates	Recovery	
		(a)	(b)	(c = a x b)	(d = b / 9, 8, 7, etc.)	(e = [b -d] x a)	(f = c - e)	(g = rate x factor)	(h = g x a)	(i = h - c)
New England Combined										
<u>Multi-line Rates</u>										
BRI - ISDN	NE Combined	6,118	\$ 0.93	\$ 5,690			\$ 5,690	\$ 1.37	\$ 8,358	\$ 2,669
PRI - ISDN	NE Combined	1,665	8.75	\$ 14,569			14,569	12.85	21,402	6,833
Multi Line Bus - Other	NE Combined	125,717	0.71	\$ 89,259			89,259	1.04	131,125	41,866
PBX Trunk w/o End User Port Charge	NE Combined	13,504	0.71	\$ 9,588			9,588	1.04	14,085	4,497
Centrex (>= 9 Lines)	NE Combined	74,560	0.71	\$ 52,938	0.0788889	\$ 47,056	5,882	0.12	8,641	(44,297)
Centrex (8 Lines)	NE Combined	3,255	0.71	\$ 2,311	0.0887500	2,022	289	0.13	424	(1,887)
Centrex (7 Lines)	NE Combined	3,229	0.71	\$ 2,293	0.1014286	1,965	328	0.15	481	(1,811)
Centrex (6 Lines)	NE Combined	5,835	0.71	\$ 4,143	0.1183333	3,452	690	0.17	1,014	(3,129)
Centrex (5 Lines)	NE Combined	2,561	0.71	\$ 1,818	0.1420000	1,455	364	0.21	534	(1,284)
Centrex (4 Lines)	NE Combined	3,032	0.71	\$ 2,153	0.1775000	1,615	538	0.26	791	(1,362)
Centrex (3 Lines)	NE Combined	3,428	0.71	\$ 2,434	0.2366667	1,623	811	0.35	1,192	(1,242)
Centrex (2 Lines)	NE Combined	4,678	0.71	\$ 3,321	0.3550000	1,661	1,661	0.52	2,440	(882)
Centrex (1 Line)	NE Combined	83	0.71	\$ 59	0.7100000	-	59	1.04	87	28
		<u>247,665</u>		<u>\$ 190,574</u>		<u>\$ 60,848</u>	<u>\$ 129,727</u>		<u>\$ 190,574</u>	<u>\$ 0</u>
Multi-line Adjustment Factor					((Revenue Loss / adjusted base) +1) =			1.469045367		

Fairpoint Communications Inc

Calculation of PBX FUSC Rate with Port Charge

2nd Quarter 2008

<u>Description</u>	<u>Tariff Entity</u>	Calculated PBX Trunk Rate with Line Ports before <u>Centrex Shortfall</u> (a)	Rate Adj. Factor <u>(RAF)</u> (b)	Calculated PBX Rate with End User <u>Port Charges</u> (c = rate x factor)
PBX Trunks with Line Ports	NE	0.85	1.47	1.25

Fairpoint Communications Inc
Rate Development for Federal End User
Special Access USF Charge
2nd Quarter 2008

Fairpoint Interstate Special Access End User Factor

2nd Quarter 2008 Contribution Factor

0.113000