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Filing Entity: The FairPoint Operating Companies  
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May 1, 2008 Short Form Access Tariff Filing (FPPC08AS.WK4)  
Exogenous Cost Changes Detail

**Exhibit 4**

**Exogenous Cost Changes Summary**

	7/07-6/08 (A) Note 1	7/08-6/09 (B)	Exogenous (C)=B-A
Excess Deferred Taxes (EDT):		\$ 22,743	\$ 22,743
Investment Tax Credit Amortization (ITC):		\$ 17,890	\$ 17,890
Re-Allocation of Shared Investment:		\$ (4,404)	\$ (4,404)
Telecommunications Relay Service Support:	\$ 1,467,202	\$ 889,090	\$ (578,112)
Regulatory Fee Support:	\$ 331,398	\$ 288,764	\$ (42,633)
Total Price Cap Exogenous Cost Adjustments			<u>\$ (584,517)</u>

Note 1: Includes any true-up due to mid-year rate adjustments. See Exhibit 4A for detail.

**Exogenous Cost Detail for EDT, ITC and Shared Investment**

	SUM-1 Ln400-A Total Price Cap (A)	Company Records		Total Revenue (D=Sum(A..C))
		Non-Price Cap Interexchange (B) Note 2	Non-Price Cap Access (C) Note 3	
Revenue	\$ 216,142,184	\$ -	\$ 61,283,934	\$ 277,426,118
Allocation Basis	77.9%	0.0%	22.1%	100.0%
Excess Deferred Taxes:	\$ 22,743	\$ -	\$ 6,448	\$ 29,192
ITC Amortization:	\$ 17,890	\$ -	\$ 5,072	\$ 22,962
Re-Allocation of Shared Investment:	\$ (4,404)	\$ -	\$ (1,249)	\$ (5,653)

NOTES:

- 2) Services removed from Price Caps Interexchange Basket effective October 22, 1999.
- 3) Pricing flexibility services removed from Price Caps Special Access Basket

Price Cap Exogenous Cost Allocation

	Common Line	Database Access	Billing Name and Address	Special	Interexchange	Total Revenue
2007 Price Cap Sum-1 Revenue	\$ 106,143,591	\$ 2,047,843	\$ 4,100	\$ 80,083,047	\$ 4,077	\$ 188,282,657
Allocation Basis	56.37%	1.09%	0.00%	42.53%	0.00%	100.00%
Excess Deferred Taxes	\$ 12,821	\$ 247	\$ 0	\$ 9,673	\$ 0	\$ 22,743
ITC Amortization	\$ 10,085	\$ 195	\$ 0	\$ 7,609	\$ 0	\$ 17,890
Re-Allocation of Shared Investment	\$ (2,483)	\$ (48)	\$ 0	\$ (1,873)	\$ 0	\$ (4,404)
Lower Formula Adj. (LFAM)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -