

THE FAIRPOINT TELEPHONE COMPANIES

2009 PRICE CAP REVISIONS Price Cap Restructure Filing (FCC No. 1)

October 23, 2009

Transmittal No. 12

Description and Justification

FairPoint Telephone Companies (FairPoint) hereby submits tariff pages and supporting information for revisions to F.C.C. Tariff No. 1. Services are provided by FairPoint to customers through its affiliates Northern New England Telephone Operations LLC and Telephone Operating Company of Vermont LLC.

FairPoint is eliminating the Non-Standard Premise Non-recurring Charge for Special Access 1.544 Mbps High Capacity, 44.736 Mbps High Capacity and DIGIROUTEsm digital service II Channel Terminations in accordance with the requirements established in Sections 61.3 (II) and 61.49 (e) of the Commission Rules. With this change, special construction charges may apply for Special Access 1.544 Mbps High Capacity, 44.736 Mbps High Capacity and DIGIROUTEsm digital service II Channel Terminations at a non-standard premise should construction be needed for this termination. The support documentation for this restructure is contained in the attached workpapers.

Using the base period (2008) demand, a net revenue reduction of \$123,000 is expected with this restructure.

The base period demand data for the Non-recurring Non-Standard Premise Charge is being eliminated. The restructure of the revenue and demand are reflected in the rate detail of the attached supporting documentation.

COMPLIANCE WITH INDICES

In this filing, the Commission's rules require FairPoint to compute the appropriate adjustments to the SBI and the API for the Special Access Price Cap basket that is affected by the proposal in compliance with Sections 61.49 (e). The attached workpapers reflects a decrease to both indices.

CONCLUSION

The FairPoint Telephone Companies hereby submit the accompanying TRP and exhibits consistent with the Commission's price cap regulations for local exchange carriers. The proposed adjustments are supported as just and reasonable.

EXHIBIT INDEX

The FairPoint Telephone Companies provides the necessary detail to support the calculations of indices, exogenous costs and FUSF rates in various workpapers. The following is the index of such workpapers.

Tariff Review Plan

TRP Rate Detail - Rates and Revenues Detail

Exhibit 1 - Current & Proposed Restructure Summary