

**The FairPoint Operating Companies
Summary of FCC Waiver FUSC Rates
1st Quarter 2010 Contribution Factor**

WP USF - 1
Transmittal # 14

<u>Service Type</u>	<u>Calculated FUSC Rate (a)</u>
Res	\$ 0.88
Non-Primary Res	\$ 0.88
Single Line Bus	\$ 0.88
Multi Line Payphone	\$ 0.88
BRI - ISDN	\$ 1.73
PRI - ISDN	\$ 16.34
Multi Line Bus - Other	\$ 1.32
PBX Trunk w/o End User Port Charge	\$ 1.32
PBX Trunk with End User Port Charge	\$ 1.58
Centrex (>= 9 Lines)	\$ 0.15
Centrex (8 Lines)	\$ 0.17
Centrex (7 Lines)	\$ 0.20
Centrex (6 Lines)	\$ 0.23
Centrex (5 Lines)	\$ 0.27
Centrex (4 Lines)	\$ 0.33
Centrex (3 Lines)	\$ 0.44
Centrex (2 Lines)	\$ 0.66
Centrex (1 Line)	\$ 1.32

a) Proposed multi-line rates include the impact of the FCC Waiver Order as modified by the Payphone Modification Order.

**The FairPoint Operating Companies
Calculation of FUSC Rates
1st Quarter 2010 Contribution Factor**

Service Type	(SLC)	(LNP)	(Port Chg)	Sum	1st Quarter 2010 Contribution Factor	Max USF Rate Prior to Waiver
	(a)	(b)	(c)	(d = a+b+c)	(e = .141)	(f = d x e)
Res, SL Bus	6.23	0	0	6.23		0.88
Non-Primary Res	6.23	0	0	6.23		0.88
Multi Line Bus - Payphone	6.23	0	0	6.23		0.88
BRI - ISDN	6.23	0	1.90	8.13		1.15
PRI - ISDN	31.15	0	46.01	77.16		10.88
Multi Line Bus - Other Except PBX & Flexpath & PSP	6.23	0	0	6.23		0.88
PBX Trunks & Flexpath w/o Line Port Charges	6.23	0	0	6.23		0.88
PBX Trunks with End User Port Charge (DID / Flexpath)	6.23	0	1.21	7.44		1.05
Centrex (>= 9 Lines)	6.23	0	0	6.23		0.88
Centrex (8 Lines)	6.23	0	0	6.23		0.88
Centrex (7 Lines)	6.23	0	0	6.23		0.88
Centrex (6 Lines)	6.23	0	0	6.23		0.88
Centrex (5 Lines)	6.23	0	0	6.23		0.88
Centrex (4 Lines)	6.23	0	0	6.23		0.88
Centrex (3 Lines)	6.23	0	0	6.23		0.88
Centrex (2 Lines)	6.23	0	0	6.23		0.88
Centrex (1 Line)	6.23	0	0	6.23		0.88

The FairPoint Operating Companies
Ratemaking for FUSC Per-line using Centrex Equivalency
1st Quarter 2010 Contribution Factor

WP USF - 3
Transmittal # 14

Service Type

FCC Order - Separate Rates		
Billing Lines	Max USF Rate Prior to Waiver	Full Rate Requirement
(a)	(b)	(c = a x b)

Monthly FUSF Req.		
CTX Rates PICC Structure	Monthly CTX Loss	Adjusted Revenue Base
(d = b / 9, 8, 7, etc.)	(e = [b -d] x a)	(f = c - e)

FCC Waiver Adjusted ML Rates
(g = rate x factor)

Accuracy Validation	
Total Recovery	Variance
(h = g x a)	(i = h - c)

New England Combined

Multi-line Rates

BRI - ISDN	4,888	\$	1.15	\$	5,621.20		\$	5,621.20	\$	1.73	\$	8,444	\$	2,823
PRI - ISDN	1,475	\$	10.88	\$	16,048.00		\$	16,048.00	\$	16.34	\$	24,108	\$	8,060
Multi Line Bus - Other	98,929	\$	0.88	\$	87,057.52		\$	87,057.52	\$	1.32	\$	130,781	\$	43,723
PBX Trunk w/o End User Port Charge	8,345	\$	0.88	\$	7,343.60		\$	7,343.60	\$	1.32	\$	11,032	\$	3,688
PBX Trunk w/ End User Port Charge	4,557	\$	1.05	\$	4,784.85		\$	4,784.85	\$	1.58	\$	7,188	\$	2,403
Centrex (>= 9 Lines)	59,570	\$	0.88	\$	52,421.60	0.1000000	\$	46,464.60	\$	0.15	\$	8,949	\$	(43,473)
Centrex (8 Lines)	2,664	\$	0.88	\$	2,344.32	0.1100000	\$	2,051.28	\$	0.17	\$	440	\$	(1,904)
Centrex (7 Lines)	3,283	\$	0.88	\$	2,889.04	0.1300000	\$	2,462.25	\$	0.20	\$	641	\$	(2,248)
Centrex (6 Lines)	5,742	\$	0.88	\$	5,052.96	0.1500000	\$	4,191.66	\$	0.23	\$	1,294	\$	(3,759)
Centrex (5 Lines)	3,245	\$	0.88	\$	2,855.60	0.1800000	\$	2,271.50	\$	0.27	\$	877	\$	(1,978)
Centrex (4 Lines)	4,832	\$	0.88	\$	4,252.16	0.2200000	\$	3,189.12	\$	0.33	\$	1,597	\$	(2,655)
Centrex (3 Lines)	6,408	\$	0.88	\$	5,639.04	0.2900000	\$	3,780.72	\$	0.44	\$	2,792	\$	(2,847)
Centrex (2 Lines)	8,872	\$	0.88	\$	7,807.36	0.4400000	\$	3,903.68	\$	0.66	\$	5,864	\$	(1,943)
Centrex (1 Line)	250	\$	0.88	\$	220.00	0.8800000	\$	-	\$	1.32	\$	330	\$	110
	213,060			\$	204,337		\$	68,315	\$			204,337	\$	(0)

Multi-line Adjustment Factor

$$((\text{Revenue Loss} / \text{adjusted base}) + 1) =$$
\$ 1.50