

The FairPoint Operating Companies
Ratemaking for FUSC Per-line using Centrex Equivalency
2nd Quarter 2010 Contribution Factor

WP USF - 3
\$ 15

FCC Order - Separate Rates

Service Type	Billing	Max USF Rate	Full Rate
	Lines	Prior to Waiver	Requirement
	(a)	(b)	(c = a x b)

Monthly FUSF Req.

CTX Rates	Monthly	Adjusted
PICC Structure	CTX Loss	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	Variance
Recovery	
(h = g x a)	(i = h - c)

New England Combined

Multi-line Rates

BRI - ISDN	4,454	\$	1.24	\$	5,522.96		\$	5,522.96	\$	1.86	\$	8,305	\$	2,782		
PRI - ISDN	1,426	\$	11.81	\$	16,841.06		\$	16,841.06	\$	17.76	\$	25,325	\$	8,484		
Multi Line Bus - Other	87,723	\$	0.95	\$	83,336.85		\$	83,336.85	\$	1.43	\$	125,317	\$	41,980		
PBX Trunk w/o End User Port Charge	6,977	\$	0.95	\$	6,628.15		\$	6,628.15	\$	1.43	\$	9,967	\$	3,339		
PBX Trunk w/ End User Port Charge	4,164	\$	1.14	\$	4,746.96		\$	4,746.96	\$	1.71	\$	7,138	\$	2,391		
Centrex (>= 9 Lines)	54,500	\$	0.95	\$	51,775.00	0.1100000	\$	45,780.00	\$	5,995.00	\$	0.17	\$	9,015	\$	(42,760)
Centrex (8 Lines)	2,344	\$	0.95	\$	2,226.80	0.1200000	\$	1,945.52	\$	281.28	\$	0.18	\$	423	\$	(1,804)
Centrex (7 Lines)	2,793	\$	0.95	\$	2,653.35	0.1400000	\$	2,262.33	\$	391.02	\$	0.21	\$	588	\$	(2,065)
Centrex (6 Lines)	4,926	\$	0.95	\$	4,679.70	0.1600000	\$	3,891.54	\$	788.16	\$	0.24	\$	1,185	\$	(3,495)
Centrex (5 Lines)	2,870	\$	0.95	\$	2,726.50	0.1900000	\$	2,181.20	\$	545.30	\$	0.29	\$	820	\$	(1,907)
Centrex (4 Lines)	4,308	\$	0.95	\$	4,092.60	0.2400000	\$	3,058.68	\$	1,033.92	\$	0.36	\$	1,555	\$	(2,538)
Centrex (3 Lines)	5,769	\$	0.95	\$	5,480.55	0.3200000	\$	3,634.47	\$	1,846.08	\$	0.48	\$	2,776	\$	(2,705)
Centrex (2 Lines)	8,040	\$	0.95	\$	7,638.00	0.4800000	\$	3,778.80	\$	3,859.20	\$	0.72	\$	5,803	\$	(1,835)
Centrex (1 Line)	274	\$	0.95	\$	260.30	0.9500000	\$	-	\$	260.30	\$	1.43	\$	391	\$	131
	<u>190,568</u>			\$	<u>198,609</u>		\$	<u>66,533</u>	\$	<u>132,076</u>		\$	<u>198,609</u>	\$	<u>(0)</u>	
Multi-line Adjustment Factor								([Revenue Loss / adjusted base] +1) =	\$	1.50						