

**The FairPoint Operating Companies**  
**Summary of FCC Waiver FUSC Line Rates For FairPoint FCC No. 1**  
**2nd Quarter 2011 Contribution Factor**

Exhibit - 1

TR 21

<u>Service Type</u>	<u>Calculated</u>
<u>FCC No. 1</u>	<u>FUSC Rate (a)</u>
Res	\$ 0.92
Non-Primary Res	\$ 0.92
Single Line Bus	\$ 0.92
Multi Line Payphone	\$ 0.92
BRI - ISDN	\$ 1.81
PRI - ISDN	\$ 17.22
Multi Line Bus - Other	\$ 1.38
PBX Trunk w/o End User Port Charge	\$ 1.38
PBX Trunk with End User Port Charge	\$ 1.66
Centrex (>= 9 Lines )	\$ 0.15
Centrex ( 8 Lines )	\$ 0.18
Centrex ( 7 Lines )	\$ 0.20
Centrex ( 6 Lines )	\$ 0.23
Centrex ( 5 Lines )	\$ 0.27
Centrex ( 4 Lines )	\$ 0.35
Centrex ( 3 Lines )	\$ 0.47
Centrex ( 2 Lines )	\$ 0.69
Centrex ( 1 Line )	\$ 1.38

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 2nd Quarter 2011 Contribution Factor

Service Type	(SLC)	(LNP)	(Port Chg)	Sum	2nd Quarter 2011 Contribution Factor	Max USF RatePrior to Waiver
	(a)	(b)	(c)	(d = a+b+c)	(e = .149)	(f = d x e)
Res, SL Bus	6.16	0	0	6.16		0.92
Non-Primary Res	6.16	0	0	6.16		0.92
Multi Line Bus - Payphone	6.16	0	0	6.16		0.92
BRI - ISDN	6.16	0	1.90	8.06		1.20
PRI - ISDN	30.80	0	46.01	76.81		11.44
Multi Line Bus - Other Except PBX & Flexpath & PSP	6.16	0	0	6.16		0.92
PBX Trunks & Flexpath w/o Line Port Charges	6.16	0	0	6.16		0.92
PBX Trunks with End User Port Charge (DID / Flexpath)	6.16	0	1.21	7.37		1.10
Centrex (>= 9 Lines )	6.16	0	0	6.16		0.92
Centrex ( 8 Lines )	6.16	0	0	6.16		0.92
Centrex ( 7 Lines )	6.16	0	0	6.16		0.92
Centrex ( 6 Lines )	6.16	0	0	6.16		0.92
Centrex ( 5 Lines )	6.16	0	0	6.16		0.92
Centrex ( 4 Lines )	6.16	0	0	6.16		0.92
Centrex ( 3 Lines )	6.16	0	0	6.16		0.92
Centrex ( 2 Lines )	6.16	0	0	6.16		0.92
Centrex ( 1 Line )	6.16	0	0	6.16		0.92

**The FairPoint Operating Companies**  
**Ratemaking for FUSC Per-line using Centrex Equivalency**  
**2nd Quarter 2011 Contribution Factor**

Exhibit - 3

TR 21

Service Type	FCC Order - Separate Rates			Monthly FUSF Req.			FCC Waiver	Accuracy Validation	
	Billing Lines (a)	Max USF Rate Prior to Waiver (b)	Full Rate Requirement (c = a x b)	CTX Rates PICC Structure (d = b / 9, 8, 7, etc.)	Monthly CTX Loss (e = [b - d] x a)	Adjusted Revenue Base (f = c - e)	Adjusted ML Rates (g = rate x factor)	Total Recovery (h = g x a)	Variance (i = h - c)
<b>New England Combined</b>									
<u><b>Multi-line Rates</b></u>									
BRI - ISDN	4,060	\$ 1.20	\$ 4,872.00			\$ 4,872.00	\$ 1.81	\$ 7,334	\$ 2,462
PRI - ISDN	1,349	\$ 11.44	\$ 15,432.56			\$ 15,432.56	\$ 17.22	\$ 23,230	\$ 7,798
Multi Line Bus - Other	81,040	\$ 0.92	\$ 74,556.80			\$ 74,556.80	\$ 1.38	\$ 112,229	\$ 37,672
PBX Trunk w/o End User Port Charge	6,382	\$ 0.92	\$ 5,871.44			\$ 5,871.44	\$ 1.38	\$ 8,838	\$ 2,967
PBX Trunk w/ End User Port Charge	3,490	\$ 1.10	\$ 3,839.00			\$ 3,839.00	\$ 1.66	\$ 5,779	\$ 1,940
Centrex (>= 9 Lines )	50,179	\$ 0.92	\$ 46,164.68	0.1000000	\$ 41,146.78	\$ 5,017.90	\$ 0.15	\$ 7,553	\$ (38,611)
Centrex ( 8 Lines )	2,048	\$ 0.92	\$ 1,884.16	0.1200000	\$ 1,638.40	\$ 245.76	\$ 0.18	\$ 370	\$ (1,514)
Centrex ( 7 Lines )	2,807	\$ 0.92	\$ 2,582.44	0.1300000	\$ 2,217.53	\$ 364.91	\$ 0.20	\$ 549	\$ (2,033)
Centrex ( 6 Lines )	4,308	\$ 0.92	\$ 3,963.36	0.1500000	\$ 3,317.16	\$ 646.20	\$ 0.23	\$ 973	\$ (2,991)
Centrex ( 5 Lines )	2,575	\$ 0.92	\$ 2,369.00	0.1800000	\$ 1,905.50	\$ 463.50	\$ 0.27	\$ 698	\$ (1,671)
Centrex ( 4 Lines )	3,872	\$ 0.92	\$ 3,562.24	0.2300000	\$ 2,671.68	\$ 890.56	\$ 0.35	\$ 1,341	\$ (2,222)
Centrex ( 3 Lines )	5,187	\$ 0.92	\$ 4,772.04	0.3100000	\$ 3,164.07	\$ 1,607.97	\$ 0.47	\$ 2,420	\$ (2,352)
Centrex ( 2 Lines )	6,820	\$ 0.92	\$ 6,274.40	0.4600000	\$ 3,137.20	\$ 3,137.20	\$ 0.69	\$ 4,722	\$ (1,552)
Centrex ( 1 Line )	233	\$ 0.92	\$ 214.36	0.9200000	\$ -	\$ 214.36	\$ 1.38	\$ 323	\$ 108
	<u>174,350</u>		<u>\$ 176,358</u>		<u>\$ 59,198</u>	<u>\$ 117,160</u>		<u>\$ 176,358</u>	<u>\$ 0</u>
Multi-line Adjustment Factor					([Revenue Loss / adjusted base] +1) =		\$ 1.51		