

THE FAIRPOINT TELEPHONE COMPANIES

F.C.C. Tariff No.1 and No.2

2014 PRICE CAP REVISIONS Short Form Filing

May 19, 2014

Description and Justification

INTRODUCTION

In connection with the May 19, 2014 Annual Filing early submission, FairPoint Telephone Companies (FairPoint) hereby submits limited Tariff Review Plan (TRP) revisions to F.C.C. Tariff No.1 and F.C.C. Tariff No. 2 with the required supporting documentation. Exhibit 1 lists the COSAs associated with each company regulated under F.C.C. Tariff No.1 and No. 2. This information is being filed in accordance with the Commission's 2014 TRP Orders released March 25, 2014 (DA 14-404) and April 14, 2014 (DA 14-494); and fulfills the requirements established in Sections 61.41 through 61.49 of the Commission Rules.

This filing reflects the effects of the exogenous cost adjustments associated with North American Number Plan Administration (NANPA), Telecommunication Relay Service (TRS) and Regulatory Fee Obligations.

EXOGENOUS COST ALLOCATIONS

The TRP guidelines provide for consideration of exogenous cost changes between filing periods. Exogenous cost changes include the following: (1) regulatory fees, (2) Telecommunications Relay Service (TRS), and (3) North American Number Plan Administration (NANPA), which only applies to FCC No. 2. Prescribed factors are

multiplied against Form 499A revenues to determine the amounts owed for the various exogenous assessments. FairPoint has also adjusted the exogenous amounts to reflect any shift in revenue growth. The result is that no exogenous adjustment is made if the support rate has not changed. In other words the rate per dollar of revenue remains unchanged if the factor is unchanged. Exhibit 2 shows the incremental exogenous costs anticipated in the long form filing.

REGULATORY FEE

The calculation of the anticipated change in regulatory fees to be reflected in the 2014 tariff year is based on the proposed application of the Commission prescribed factor of 0.00347 to 499A Price Cap revenues. This proposed factor was set forth in Assessment and Collection of Regulatory Fees for Fiscal Year 2013, FCC 13-110, Report and Order, (released August 12, 2013).

Exhibit 2 details the calculations of the Regulatory Fee exogenous costs. The cost amount in this filing is preliminary; FairPoint will update the Regulatory Fee exogenous costs if the proposed factor changes.

TELECOMMUNICATIONS RELAY SERVICE

The Telecommunications Relay Service (TRS) fee is based on the proposed annual cost recovery factor of 0.01174, FCC Order DA 14-627 for the July, 2014 through June, 2015 Fund Year, (released May 9, 2014).

Exhibit 2 details the calculations of the TRS Fee exogenous costs. The cost amount in this filing is preliminary; FairPoint will update the TRS Fee exogenous costs if the proposed factor changes.

NORTH AMERICAN NUMBER PLAN ADMINISTRATION

Pursuant to Public Notice, DA 13-1215, released May 28, 2013, the contribution factor of 0.0000302 is applied total 499A interstate revenues to fund the 2014 numbering plan. NANPA is only applicable to F.C.C Tariff No. 2.

Exhibit 2 details the calculations of the NANPA costs. The cost amount in this filing is preliminary; FairPoint will update the NANPA exogenous costs if the proposed factor changes.

EXHIBIT INDEX

The FairPoint Telephone Companies have provided the necessary detail to support the calculations of exogenous costs in various workpapers. The following is the index of such workpapers.

Tariff Review Plan (Short Form)

EXG-1	Exogenous Cost Summary
Exhibit 1	Affiliate and COSA Information
Exhibit 2	Exogenous Cost Calculations