

The FairPoint Operating Companies
Summary of FCC Waiver FUSC Line Rates For FairPoint FCC No. 1
4th Quarter 2017 Contribution Factor

Exhibit - 1
TR 64

<u>Service Type</u>	<u>Calculated</u>
<u>FCC No. 1</u>	<u>FUSC Rate (a)</u>
Res	\$ 1.40
Non-Primary Res	\$ 1.40
Single Line Bus	\$ 1.40
Multi Line Payphone	\$ 1.62
BRI - ISDN	\$ 2.81
PRI - ISDN	\$ 26.94
Multi Line Bus - Other	\$ 2.60
PBX Trunk w/o End User Port Charge	\$ 2.60
PBX Trunk with End User Port Charge	\$ 2.97
Centrex (>= 9 Lines)	\$ 0.29
Centrex (8 Lines)	\$ 0.32
Centrex (7 Lines)	\$ 0.37
Centrex (6 Lines)	\$ 0.43
Centrex (5 Lines)	\$ 0.51
Centrex (4 Lines)	\$ 0.66
Centrex (3 Lines)	\$ 0.87
Centrex (2 Lines)	\$ 1.30
Centrex (1 Line)	\$ 2.60

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
4th Quarter 2017 Contribution Factor**

Service Type	(SLC)	(ARC)	(LNP)	(Port Chg)	Sum	4th Quarter 2017 Contribution Factor	Max USF Rate Prior to Waiver
	(a)	(b)	(c)	(d)	(e = a+b+c+d)	(f = .188)	(g = e x f)
Res, SL Bus	6.22	1.21	0	0	7.43		1.40
Non-Primary Res	6.22	1.21	0	0	7.43		1.40
Multi Line Bus - Payphone	6.22	2.41	0	0	8.63		1.62
BRI - ISDN	6.22	1.21	0	1.90	9.33		1.75
PRI - ISDN	31.10	12.05	0	46.01	89.16		16.76
Multi Line Bus - Other Except PBX & Flexpath & PSP	6.22	2.41	0	0	8.63		1.62
PBX Trunks & Flexpath w/o Line Port Charges	6.22	2.41	0	0	8.63		1.62
PBX Trunks with End User Port Charge (DID / Flexpath)	6.22	2.41	0	1.21	9.84		1.85
Centrex (>= 9 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (8 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (7 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (6 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (5 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (4 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (3 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (2 Lines)	6.22	2.41	0	0	8.63		1.62
Centrex (1 Line)	6.22	2.41	0	0	8.63		1.62

The FairPoint Operating Companies
Ratemaking for FUSC Per-line using Centrex Equivalency
4th Quarter 2017 Contribution Factor

Exhibit - 3
TR 64

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)
New England Combined									
Multi-line Rates									
BRI - ISDN	1,803	\$ 1.75	\$ 3,155.25			\$ 3,155.25	\$ 2.81	\$ 5,071	\$ 1,916
PRI - ISDN	1,740	\$ 16.76	\$ 29,162.40			\$ 29,162.40	\$ 26.94	\$ 46,871	\$ 17,708
Multi Line Bus - Other	42,224	\$ 1.62	\$ 68,402.88			\$ 68,402.88	\$ 2.60	\$ 109,939	\$ 41,537
PBX Trunk w/o End User Port Charge	2,406	\$ 1.62	\$ 3,897.72			\$ 3,897.72	\$ 2.60	\$ 6,265	\$ 2,367
PBX Trunk w/ End User Port Charge	1,576	\$ 1.85	\$ 2,915.60			\$ 2,915.60	\$ 2.97	\$ 4,686	\$ 1,770
Centrex (>= 9 Lines)	25,742	\$ 1.62	\$ 41,702.04	0.1800000	\$ 37,068.48	\$ 4,633.56	\$ 0.29	\$ 7,447	\$ (34,255)
Centrex (8 Lines)	1,992	\$ 1.62	\$ 3,227.04	0.2000000	\$ 2,828.64	\$ 398.40	\$ 0.32	\$ 640	\$ (2,587)
Centrex (7 Lines)	3,073	\$ 1.62	\$ 4,978.26	0.2300000	\$ 4,271.47	\$ 706.79	\$ 0.37	\$ 1,136	\$ (3,842)
Centrex (6 Lines)	4,386	\$ 1.62	\$ 7,105.32	0.2700000	\$ 5,921.10	\$ 1,184.22	\$ 0.43	\$ 1,903	\$ (5,202)
Centrex (5 Lines)	4,420	\$ 1.62	\$ 7,160.40	0.3200000	\$ 5,746.00	\$ 1,414.40	\$ 0.51	\$ 2,273	\$ (4,887)
Centrex (4 Lines)	6,160	\$ 1.62	\$ 9,979.20	0.4100000	\$ 7,453.60	\$ 2,525.60	\$ 0.66	\$ 4,059	\$ (5,920)
Centrex (3 Lines)	7,707	\$ 1.62	\$ 12,485.34	0.5400000	\$ 8,323.56	\$ 4,161.78	\$ 0.87	\$ 6,689	\$ (5,796)
Centrex (2 Lines)	10,774	\$ 1.62	\$ 17,453.88	0.8100000	\$ 8,726.94	\$ 8,726.94	\$ 1.30	\$ 14,026	\$ (3,428)
Centrex (1 Line)	629	\$ 1.62	\$ 1,018.98	1.6200000	\$ -	\$ 1,018.98	\$ 2.60	\$ 1,638	\$ 619
	<u>114,632</u>		<u>\$ 212,644</u>		<u>\$ 80,340</u>	<u>\$ 132,305</u>		<u>\$ 212,644</u>	<u>\$ 0</u>
Multi-line Adjustment Factor				((Revenue Loss / adjusted base] +1) =			\$ 1.61		