

Quarter:	4th Quarter 2016
Transmittal Number:	DA-16-1024
FUSF Rate	0.174
FUSF Rate	17.4 %
FUSF Rate	(f =0.174)

NOTE: Access Line Report, Centrex Count reports used in Q4 2016 is as of Jun 30, 2016.

Hawaiian Telcom, Inc.
Summary of FCC Waiver FUSF Rates
4th Quarter 2016

<u>Service Type</u>	<u>State/Area</u>	<u>Proposed FUSF Rate (a)</u>
Res	GTHI	\$ 1.24
Non-Primary Res	GTHI	\$ 1.33
Single Line Bus	GTHI	\$ 1.24
BRI - ISDN	GTHI	\$ 2.51
PRI - ISDN	GTHI	\$ 15.81
Multi Line Bus - Other (inc Cyber DS1 Channels)	GTHI	\$ 2.56
PBX Trunks with 9 LNPs (includes DCS Services)	GTHI	\$ 2.56
Centrex (>= 9 Lines)	GTHI *	\$ 0.28
Centrex (8 Line)	GTHI *	\$ 0.32
Centrex (7 Line)	GTHI *	\$ 0.36
Centrex (6 Line)	GTHI *	\$ 0.42
Centrex (5 Line)	GTHI *	\$ 0.51
Centrex (4 Line)	GTHI *	\$ 0.64
Centrex (3 Line)	GTHI *	\$ 0.85
Centrex (2 Line)	GTHI *	\$ 1.28
Centrex (1 Line)	GTHI *	\$ 2.56

Note * : Centranet GTE Hawaii (GTHI) - First 1-9 lines (Flat Rate): \$ 2.56 10 lines and over (per line): \$ 0.28

a) Proposed multi-line rates include the impact of the FCC Waiver Order.

**Hawaiian Telcom, Inc.
Calculation of FUSF Rates
4th Quarter 2016**

WP USF - 2

Service Type	Area	State	(SLC)	(LNP)	(Port Chg)	ARC	Sum with GET	4th Quarter 2016 (f =0.174)	USF Rate Base	Multi-Line Adjustment Factor (WP USF -3)	USF Rate
			(a)	(b)	(c)	(d)	(e) = (a+b+c+d)*1.045	0.174	(g= e x f)	1.61	(i=g x h)
Res	Hawaiian Telcom	HI	6.50	0.00	N/A	0.36	7.17		1.24	N/A	1.24
Non-Primary Res	Hawaiian Telcom	HI	7.00	0.00	N/A	0.36	7.69		1.33	N/A	1.33
SL Bus	Hawaiian Telcom	HI	6.50	0.00	N/A	0.36	7.17		1.24	N/A	1.24
BRI - ISDN	Hawaiian Telcom	HI	7.00	0.00	1.25	0.36	9.00		1.56	1.61	2.51
PRI - ISDN	Hawaiian Telcom	HI	40.40	0.00	10.00	3.55	56.38		9.80	1.61	15.81
Multi Line Bus - Other (inc. Cyber DS1 Channels)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	1.61	2.56
PBX Trunks with 9 LNPs (includes DCS Services)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	1.61	2.56
Centrex (>= 9 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.18	0.28
Centrex (8 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.20	0.32
Centrex (7 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.23	0.36
Centrex (6 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.27	0.42
Centrex (5 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.32	0.51
Centrex (4 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.40	0.64
Centrex (3 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.54	0.85
Centrex (2 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	0.81	1.28
Centrex (1 Lines)	Hawaiian Telcom	HI	8.08	0.00	N/A	0.71	9.19		1.59	1.61	2.56

Ratemaking for FUSF Per-line using Centrex Equivalency

4th Quarter 2016

		MLB Billing Lines (Note-1) (a)	Full Rate Requirement (Note-2) (b)	Monthly FUSF Reqt.		FCC Waiver
				PICC Structure Revenue (Note-3) (c)	Monthly Loss (d = b - c)	Muitl-Line ADJ Factor (e = d / c + 1)
Hawaii	GTHI	110,098	\$ 186,415	\$ 115,507	\$ 70,908	<u>1.61</u>

Note-1: Billed Lines as of 6/31/2016.

Note-2: Developed based on tariff USF SLC, LNP, Port Change, and ARC rates (See WP USF -2, Columns-a, -b, -c, and -d).

Note-3: Developed pursuant to 47 C.F.R. 69.153.

Hawaiian Telcom, Inc.
Rate Development for Federal End User
Special Access USF Charge

Hawaiian Telcom Interstate Special Access End User Factor

4th Quarter 2016 Contribution Factor

0.174000