

NHPUC Form F-22  
Information Sheet  
Part Puc 407.09  
Rev. 01/07/04

## INFORMATION SHEET 2009

### **Officer or individual to whom the ANNUAL REPORT should be mailed:**

Name Kevin J. O'Quinn  
Title Director  
Street 770 Elm Street 2nd Floor  
City/State/Zip Code Manchester, NH 03101  
Telephone: 207-648-3179  
Email Address: koquinn@fairpoint.com

*Officer or individual to whom the NH. UTILITY ASSESSMENT and ASSESSMENT BILLING ADDRESS should be mailed:*

### **ASSESSMENT BOOK**

Name Kevin Shea  
Title Vice President Government Relations  
Street 900 Elm Street 19th Floor  
City/State/Zip Code Manchester, NH 03101  
Telephone: 603-641-1667

### **ASSESSMENT BILLING ADDRESS**

Name Kevin Shea  
Title Vice President Government Relations  
Street 900 Elm Street 19th Floor  
City/State/Zip Code Manchester, NH 03101  
Telephone: 603-641-1667

### **NAMES AND TITLES OF THE PRINCIPAL OFFICERS OF THE COMPANY**

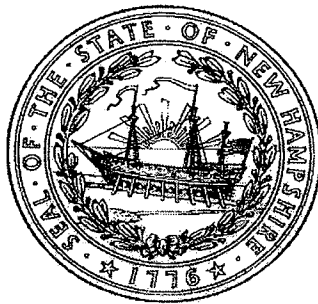
**ANY SUBSEQUENT CHANGES TO INFORMATION INCLUDED SHOULD BE REPORTED TO THIS COMMISSION**

NH. PUBLIC UTILITIES COMMISSION  
21 S. Fruit Street, Suite 10  
Concord, New Hampshire 03301-7319  
(603) 271-2431

Exh. FP-20 0001

# STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

Concord, New Hampshire



Telecommunications Companies  
Incumbent Local Exchange Carrier

ANNUAL REPORT  
OF

Northern New England Telephone Operations LLC d/b/a  
FairPoint Communications - NNE

(If name was changed during the year, enter the previous name and date of change below)

f/k/a <Enter Previous Company Name>

Date of Change <Enter Date>

FOR THE YEAR ENDED DECEMBER 31, 2009  
year

FEDERAL TAX ID# 20-8210335

Officer or other person to whom correspondence should be  
addressed regarding this report:

Name	Kevin J. O'Quinn
Title	Director
Address	770 Elm Street Manchester, NH 03101
Phone Number	207-648-3179
Email Address	koguinn@fairpoint.com

**RSA 374:15** Every public utility shall file with the commission reports at such times, verified by oath in such manner, and setting forth such statistics and facts, as may be required by the commission.

**RSA 374:17** Neglect or refusal to file will result in a forfeiture of \$100 per day for each day in default.

**PUC Rule 407.10**-This annual report is due at the commission offices no later than March 31 of each year.

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ANNUAL REPORT TO THE STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION FOR THE YEAR ENDING DECEMBER 31, 2009

**A-1. GENERAL INFORMATION**

**IDENTITY OF RESPONDENT**

1. Give the exact name under which the utility does business:  
**Northern New England Telephone Operations LLC d/b/a FairPoint Communications - NNE**
  2. Full name of any other utility acquired during the year and date of acquisition:  
**N/A**
  3. Location of principal office:  
**1 Davis Farm Road, Portland, ME 04103**
  4. State whether the utility is a corporation, joint stock association, trust or partnership, or an individual:  
**It is a Limited Liability Company**
  5. If a corporation or association, give date of incorporation, State under whose laws incorporated, and whether incorporated under special law:  
**Incorporated on December 20, 2006 as a Delaware Corporation; converted to a Delaware LLC on November 27, 2007**
  6. If incorporated under special act, given chapter and session date:  
**N/A**
  7. Give date when company was originally organized and date of any reorganization:  
**(see response to #5)**
  8. Name and addresses of principal offices of any corporations, trusts or associations owning, controlling or operating respondent:  
**FairPoint Communications, Inc. 521 E. Morehead St., Suite 500, Charlotte, NC 28202**
  9. Name and addresses of principal offices of any corporations, trusts or associations owned, controlled or operated by the respondent:  
**Telephone Operating Company of Vermont LLC, 1 Davis Farm Road, Portland, ME 04103**
  10. Date when respondent first began to operate as a utility:  
**March 31, 2008 (previously operated as Verizon New England Inc.)**
  11. If the respondent is engaged in any business not related to utility operation, provide all details\*:  
**N/A**
  12. If the status of the respondent has changed during the year in respect to any of the statements made above, provide all details, including dates:  
**N/A**
  13. If the utility is a foreign corporation which operated in New Hampshire prior to June 1, 1911, give date in which permission was granted to operate under NH. Rev. Stat. Ann 374:25, Exceptions and NH. Rev. Stat. Ann. 374:26 Permission.  
**N/A**
- \*If engaged in operations of utilities of more than one type, give dates for each.

**OTHER PUBLISHED ANNUAL REPORTS**

- REPORT TO STOCKHOLDERS/MEMBERS.** A copy of the annual report to stockholders or members [ ] was [ ] will be sent to NH PUC on or about \*\*  
Annual reports to stockholders or members are not published
- RUS REPORT.** A copy of the published annual report to the Rural Utilities Service [ ] was [ ] will be sent to NH PUC on or about  
The respondent does not report to the Rural Utilities Service

**LEC REPORT.** A copy of the respondent's Annual Report for Local Exchange Carriers to NH PUC is attached

\*\* Please refer to Form 10K filed on May 28, 2010, which can be found at the following website:  
<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

**A-2. LIST OF OFFICERS**

\*Includes compensation received from all sources, except directors' fees.

Line No.	Title of Officer	Name	Residence	Compensation*
1	Chairman of the Board of Directors and Chief Executive Officer	David L. Hauser	North Carolina	[a]
2	Executive Vice President, Chief Financial Officer	Alfred C. Giammarino	North Carolina	[a]
3	Executive Vice President, General Counsel and Secretary	Shirley J. Linn	North Carolina	[a]
4	President	Peter G. Nixon	North Carolina	[a]
5	Senior Vice President and Controller	Lisa R. Hood	Kansas	[a]
6	Vice President and Treasurer	Thomas E. Griffin	North Carolina	[a]
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				

**A-3. LIST OF DIRECTORS**

Line No.	Name	Residence	Length of Term	Term Expires	No. of Meetings Attended	Annual Fees*
18	Thomas F. Gilbane, Jr.	Rhode Island	3	2011	[a]	[a]
19	David L. Hauser	North Carolina	3	2010	[a]	[a]
20	Robert A. Kennedy	Maine	3	2012	[a]	[a]
21	Robert S. Lillen	North Carolina	3	2011	[a]	[a]
22	Claude C. Lilly	South Carolina	3	2011	[a]	[a]
23	Jane E. Newman	New Hampshire	3	2010	[a]	[a]
24	Michael R. Tuttle	Vermont	3	2010	[a]	[a]
25						
26						
27						

[a] Please refer to Form 10K filed on May 28, 2010, which can be found at the following website: <http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

**A-4. SHAREHOLDERS AND VOTING POWERS**

Line No.	Name	Address	No. of Votes	Number of Shares Owned	
				Common	Preferred
1	State total of voting power of all security holders at close of year: 90,002,026				
2	State total number of shareholders of record at close of year according to classes of stock; See note below				
3					
4					
5	State the total number of votes cast at the latest general meeting: 74,985,224 shares were voted				
6	Give date and place of such meeting: June 3, 2009 at the Hilton Charlotte Center City, 222 East 3rd Street, Charlotte, NC 28202				
	Give the following information concerning the ten security holders having the highest voting powers in the corporation, the officers, directors and each holder of one percent or more of the voting capital stock. (Section 7, Chapter 182, Laws of 1933)				
7	All directors and executive officers of FairPoint, as a group		1,825,886	1,825,886	
8	Note: information on individual shareholders that are not directors or officers of the Company is not available. All holders of more than 5% of the Company's shares must report to the SEC on Form SC 13G. As of 12/31/09, there are no holders of more than 5% of the Company's shares.				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
<b>Totals</b>			<b>1,825,886</b>	<b>1,825,886</b>	<b>-</b>

**A-5. LIST OF EXCHANGES SERVED DIRECTLY**

List individually each exchange name, exchange NXX, towns served directly, indicating those in which franchise is for limited area by an asterisk (\*) after the town/area's name.

Line No.	Exchange Name	Exchange NXX	Towns Served	Number of Customers	Line No.	Exchange Name	Exchange NXX	Towns Served	Number of Customers
1					16			Sub-Total Forwarded	-
2	Please refer to the sheet in this file labeled "Exchanges"				17				
3					18				
4					19				
5					20				
6					21				
7					22				
8					23				
9					24				
10					25				
11					26				
12					27				
13					28				
14					29				
15	Sub-Totals Forward			-	30	Totals:			-

**A-6. PAYMENTS TO INDIVIDUALS**

List here names of all individuals, partnerships, or corporations, to whom payments totaling \$10,000 or more for services rendered were made or accrued during the year, and the amount paid or accrued to each. Where payments or accruals to the individual members of a partnership or firm together total \$10,000 or more, list each individual and the amount paid or due each.

Line No.	Name	Address	Amount
1			\$ -
2	Please refer to the sheet in this file labeled "Payments"		\$ -
3			\$ -
4			\$ -
5			\$ -
6			\$ -
7			\$ -
8			\$ -
9			\$ -
10			\$ -
11			\$ -
12			\$ -
13			\$ -
14	Total		\$ -

**A-7. MANAGEMENT FEES AND EXPENSES**

List all individuals, associations, partnerships, corporations or concerns with whom the company has any contract or agreement covering management or supervision of its affairs such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year. Designate by asterisk (\*) those organizations which are "Affiliates" as defined in Chapter 182, Section 1, Laws of 1993.

Line No.	Name	Date of Contract	Date of Expiration	Character of Service	Amount Paid or Accrued for Each Class	Distribution of Accrual or Payments		
						To Fixed Capital	To Operating Exp.	To Other Accts.
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
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16								
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18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
Totals					\$	\$	\$	\$

Have copies of all such contracts or agreements been filed with the Commission?



**A-8. IMPORTANT CHANGES DURING THE YEAR**

Give concise answers to each of the following, numbering them in accordance with the inquiries. Each inquiry should be answered. If "none" or "not applicable" states the fact, that response should be made. If information which answers an inquiry is given elsewhere in the report, reference to the schedule in which it appears will be sufficient.

1. List extensions of the systems (other than additions supplementing existing facilities of the respondent whether by purchase, construction, donation or otherwise. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, and the total consideration given, monetary and otherwise.

None

2. If during the year, a substantial portion or all of the property of the respondent was sold, merged, or abandoned, provide all details, including the location and territory covered. In case of sale or merger, give the effective date, name and address of the successor company, and the consideration given, monetary and otherwise.

None

3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any, that was required. Give the date of the journal entries, required by the Uniform System of Accounts that were submitted to the Commission.

None

4. Estimated increase or decrease in annual revenues due to important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification and the customers affected.

None

5. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.

On October 26, 2009 (the "Petition Date"), the Company and substantially all of its direct and indirect subsidiaries filed voluntary petitions for relief under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code" or "Chapter 11") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). The cases are being jointly administered under the caption in re Fairpoint Communications, Inc., Case No. 09-16335 (the "Chapter 11 Cases")

Complete information can be found in DT 10-025.

6. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.

**See Response to Question 5. Note, the articles of incorporation have not been changed during 2009. New articles of Incorporation will be in place upon emergence from Bankruptcy.**

7. Attach a map defining the territory covered by the respondent's operations. A new map is required when changes in territory have occurred and in each year ending in 0 or 5 (e.g., 1990 or 1995). In all other years reference to the report in which the map last appears will be sufficient.

**See Maps filed by Verizon with the PUC in January 2003.**

8. State the annual effect of each important change in wage scales. Include also the effective date and the portion applicable to operations.

**An Associate contract was entered into with the Unions in 2008 that provided for a 3% annual increase effective in August 2009. Management wage increases are tied to individual performance and are not guaranteed. Of note, the associate wage increase scheduled for 2010 has been deferred to 2014.**

9. State briefly the status of any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 6, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:

[http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol\\_sec](http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol_sec)

**A-9. FINANCIAL REPORTING DISCLOSURE INSTRUCTIONS**

**Footnote Disclosure:**

Financial information presented in statements included within the New Hampshire Public Utilities Commission Annual Report is generally in conformance with general accepted accounting principles and the following should be disclosed:

1. Data necessary to prevent the information from being misleading. Accordingly, (a) extraordinary or material, unusual or infrequently occurring items; (b) significant principles or practices from those used in the prior year, and (c) the acquisition or disposition of significant operation, assets or liabilities should be noted.
2. Uncertainties that could affect the fairness of the information, including significant changes in the status of loss contingencies since the prior year, should be noted.
3. If revenues, costs, or expenses are accrued or deferred in a manner different from that of the prior year, the method used and the amount of such accruals or deferrals should be noted.

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:

<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=iroi-sec>

F-10. BALANCE SHEET						
Assets and Other Debits						
Verizon-New Hampshire \$(000)						
Line No	Accounts (a)	See Sch	Current Year End Balance	Previous Year End Balance	Increase or Decrease (d)	
<b>CURRENT ASSETS</b>						
1	1130 Cash				\$	-
2	1130.1 REA Cash				\$	-
3	1130.2 Cash Savings				\$	-
4	1140 Special Cash Deposits				\$	-
5	1150 Working Cash Advances				\$	-
6	1160 Temporary Investments				\$	-
7	1170 Telecommunications Accounts Receivable	17	\$ -	\$ -	\$	-
8	1171 Accounts Receivable Allowance-Telecom	17	\$ 52,575	\$ -	\$	52,575
9	1190.1 Accounts Receivable from Affiliated Co	17	\$ (28,862)	\$ -	\$	(28,862)
10	1190.2 Other Accounts Receivable	17	\$ -	\$ -	\$	-
11	1191 Accounts Receivable Allow.-Affiliates	17	\$ -	\$ -	\$	-
12	1200.1 Notes Receivable from Affiliated Companies	17	\$ -	\$ -	\$	-
13	1200.2 Other Notes Receivable	17	\$ -	\$ -	\$	-
14	1201 Notes Receivable Allow.-Affiliates	17	\$ -	\$ -	\$	-
15	1210 Interest and Dividends Receivable	17	\$ -	\$ -	\$	-
16	1220 Material and Supplies	17	\$ -	\$ -	\$	-
17	1290 Prepaid Rents		\$ 51	\$ -	\$	51
18	1300 Prepaid Taxes		\$ -	\$ -	\$	-
19	1310 Prepaid Insurance	36B	\$ -	\$ -	\$	-
20	1320 Prepaid Directory Expenses		\$ -	\$ -	\$	-
21	1330 Other Prepayments		\$ -	\$ -	\$	-
22	1350 Other Current Assets	18	\$ 4	\$ -	\$	4
23	1360 Current Deferred Income Taxes-Dr.	19	\$ 3,149	\$ -	\$	3,149
24	Total Current Assets		\$ 26,916	\$ -	\$	-
<b>NONCURRENT ASSETS</b>						
25	1401 Investments in Affiliated Companies	17	\$ -	\$ -	\$	-
26	1402 Investments in Non-Affiliated Companies	17	\$ -	\$ -	\$	-
27	1406 Nonregulated Investments		\$ -	\$ -	\$	-
28	1407 Unamortized Debt Issuance Expense	23	\$ -	\$ -	\$	-
29	1408 Sinking Funds	20	\$ -	\$ -	\$	-
30	1410 Other Noncurrent Assets	21	\$ 3,570	\$ -	\$	3,570
31	1438 Deferred Maintenance & Retirement	22	\$ (2,046)	\$ -	\$	(2,046)
32	1439 Deferred Charges	22	\$ 1,493	\$ -	\$	1,493
33	Total Noncurrent Assets		\$ 3,018	\$ -	\$	1,493
<b>REGULATED PLANT</b>						
34	2001 Telecommunications Plant in Service	12A	\$ 2,371,290	\$ 2,361,698	\$	9,592
35	2002 Property Held for Future Telecom. Use	12A	\$ 14	\$ -	\$	14
36	2003 Telecom. Plant Under Const.-Short Term	12A	\$ 68,696	\$ 8,990	\$	59,706
37	2004 Telecom. Plant Under Const.-Long Term	12A	\$ -	\$ -	\$	-
38	2005 Telecommunications Plant Adjustment	12A	\$ -	\$ -	\$	-
39	2006 Nonoperating Plant	12A	\$ 2,372	\$ 2,372	\$	(0)
40	2007 Goodwill	12A	\$ -	\$ -	\$	-
41	Total Regulated Telecommunications Plant		\$ 2,442,373	\$ 2,373,060	\$	69,313
42	3100-3200 Less: Accumulated Depreciation	14A	\$ 2,015,181	\$ 1,875,143	\$	140,038
43	3300 Less: Accumulated Depreciation-Non op		\$ 42	\$ 32	\$	10
44	3410-3600 Less: Accumulated Amortization	15	\$ 10,369	\$ 8,216	\$	2,153
45	Net Telecommunications Plant		\$ 416,781	\$ 489,669	\$	(72,888)
46	Telecommunications Plant Adjustment		\$ -	\$ -	\$	-
47	TOTAL ASSETS AND OTHER DEBITS		\$ 446,715	\$ -	\$	-

F-10. BALANCE SHEET						
Liabilities and Stockholders' Equity						
Verizon New Hampshire \$(000)						
Line No	Accounts (a)	See Sch.	Current Year End Balance	Previous Year End Balance	Increase or (Decrease) (d)	
<b>CURRENT LIABILITIES</b>						
1	4010					
	Accounts Payable					
2	4020	26	\$ (111,928)	\$ -	\$ (111,928)	
	Notes Payable	25	\$ -	\$ -	\$ -	
3	4030					
	Advanced Billing and Payment					
4	4040					
	Customer Deposits					
5	4050		\$ 3,102	\$ -	\$ 3,102	
	Current Maturities-Long Term Debt					
6	4060		\$ -	\$ -	\$ -	
	Current Maturities-Capital Leases					
7	4070	12D	\$ -	\$ -	\$ -	
	Income Taxes-Accrued					
8	4080	36B	\$ 37,122	\$ -	\$ 37,122	
	Other Taxes-Accrued					
9	4100	36B	\$ 61	\$ -	\$ 61	
	Net Current Deferred Operating Income Taxes					
10	4110	30B	\$ (61,320)	\$ (9,339)	\$ (51,981)	
	Net Current Deferred Non-Operating Income Taxes					
11	4120	30C	\$ -	\$ -	\$ -	
	Other Accrued Liabilities					
12	4130	26	\$ 3,157	\$ -	\$ 3,157	
	Other Current Liabilities					
13		26	\$ 8,363	\$ -	\$ 8,363	
	Total Current Liabilities		\$ (121,444)	\$ -	\$ 8,363	
<b>LONG TERM DEBT</b>						
14	4210					
	Funded Debt					
15	4220	24	\$ -	\$ -	\$ -	
	Premium on Long Term Debt					
16	4230					
	Discount on Long Term Debt					
17	4240					
	Reacquired Debt					
18	4250	12D	\$ -	\$ -	\$ -	
	Obligation Under Capital Leases					
19	4260	24	\$ -	\$ -	\$ -	
	Advances from Affiliated Companies					
20	4270	24	\$ -	\$ -	\$ -	
	Other Long Term Debt					
21		24	\$ -	\$ -	\$ -	
	Total Long Term Debt		\$ -	\$ -	\$ -	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>						
22	4310					
	Other Long-Term Liabilities					
23	4320	29	\$ 103,482	\$ -	\$ 103,482	
	Unamortized Operating Investment Tax Credits-Net					
24	4330		\$ 2,542	\$ -	\$ 2,542	
	Unamortized Non-Operating Investment Tax Credits-Net					
25	4340					
	Net Non-current Deferred Operating Income Taxes					
26	4350	30B	\$ (10,668)	\$ 21,103	\$ (31,771)	
	Net Non-current Deferred Non-Operating Income Taxes					
27	4360	30C	\$ 94	\$ 94	\$ -	
	Other Deferred Credits					
28		30A	\$ (1,852)	\$ -	\$ (1,852)	
	Total Other Liabilities and Deferred Credits		\$ 93,599	\$ -	\$ (1,852)	
<b>STOCKHOLDERS' EQUITY</b>						
29	4510.1					
	Capital Stock-Common					
30	4510.2	33	\$ -	\$ -	\$ -	
	Capital Stock-Preferred					
31	4520	33	\$ -	\$ -	\$ -	
	Additional Paid-in Capital					
32	4530.1	33	\$ (5,175)	\$ -	\$ (5,175)	
	Treasury Stock-Common					
33	4530.2					
	Treasury Stock-Preferred					
34	4540					
	Other Capital					
35	4550					
	Retained Earnings					
36		31	\$ 479,736	\$ -	\$ 479,736	
	Total Stockholders' Equity		\$ 474,561	\$ -	\$ 479,736	
37	<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>		\$ 446,715	\$ -		

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:  
<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

RESERVED

F-11. INCOME STATEMENT				
FairPoint-New Hampshire \$(000)				
Line No.	Item (a)	See Sch.	Amount for the Current Year (b)	Increase over Preceding Year (c)
<b>INCOME</b>				
<b>TELEPHONE OPERATING INCOME</b>				
1	Operating Revenues	34	\$ 305,224	\$ 23,510
2	Operating Expenses	35	\$ 427,669	\$ 77,284
3	Net Telephone Operating Revenues		\$ (122,445)	\$ (53,773)
<b>OTHER OPERATING INCOME AND EXPENSES</b>				
4	7100 Other Operating Income and Expense	38	\$ 59	\$ (212)
5	Telephone Operating Revenue Before Taxes		\$ (122,386)	\$ (53,985)
<b>OPERATING TAXES</b>				
6	7210 Operating Investment Tax Credits-Net		\$ (236)	\$ (52)
7	7220 Operating Federal Income Taxes		\$ (4,372)	\$ (2,054)
8	7230 Operating State and Local Income Taxes		\$ (754)	\$ (2,573)
9	7240 Other Operating Taxes	36A	\$ 2,955	\$ 773
10	7250 Provision for Deferred Operating Income Taxes-Net		\$ (43,847)	\$ (16,762)
11	Total Operating Taxes		\$ (46,256)	\$ (20,668)
12	Net Operating Income		\$ (76,130)	\$ (33,317)
<b>NON-OPERATING INCOME AND EXPENSES</b>				
13	7300 Non-Operating Income and Expenses	37	\$ (3,642)	\$ (3,910)
14				
<b>NON-OPERATING TAXES</b>				
15	7400 Non-Operating Taxes	36C	\$ 0	\$ (102)
16				
17	Net Non-Operating Income		\$ (3,642)	\$ (3,808)
18	Income Available for Fixed Charges		\$ (79,773)	\$ (37,125)
<b>INTEREST AND RELATED ITEMS</b>				
19	7510 Interest on Funded Debt	24	\$ -	\$ -
20	7520 Interest Expense-Capital Leases	12D	\$ -	\$ -
21	7530 Amortization of Debt Issuance Expense	23	\$ -	\$ -
22	7540 Other Interest Deductions		\$ 38	\$ 7
23	Total Interest and Related Items		\$ 38	\$ 7
24	Income Before Extraordinary Items		\$ (79,811)	\$ (37,132)
<b>EXTRAORDINARY ITEMS</b>				
25	7600 Extraordinary Items	36D	\$ -	\$ -
26				
<b>JURISDICTIONAL DIFFERENCES AND NON-REGULATED INCOME ITEMS</b>				
27	7910 Income Effects of jurisdictional differences		\$ 133	\$ 873
28	7990 Non-Regulated Net Income		\$ -	\$ -
29	Total Jurisdictional Differences and Extraordinary Items		\$ 133	\$ 873
30	Net Income	16	\$ (79,677)	\$ (36,259)

## NOTES TO INCOME STATEMENT

- Refunds to subscribers, in the event of an adverse decision in pending rate proceedings, would reduce the amount of "Operating revenues" for the current year by approximately : \$
- Investment credits realized were given immediate total flow through treatment in the amount of \$
- The rate(s) used during the year in capitalizing interest during construction and basis upon which the rate(s) was determined.

**B-12A. ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS**  
FairPoint-New Hampshire \$(000)

- Report in Column (c) all amounts relating to purchases of plant accounted for in accordance with Paragraphs (1) and (2) of Puc 409.03 (b) of the Uniform System of Accounts for Telecommunications Companies.
- Each transfer or adjustment between accounts listed in this schedule, or between accounts listed in this schedule and other accounts, shall be included in column (g) and explained in a note, except the following which shall be included in columns (c) thru (f), as appropriate: (1) transfers and adjustments amounting to less than \$5,000; (2) adjustments and corrections of additions and retirements for the current or the preceding year; (3) transfers involving account 2003 and 2004, the plant accounts, the account 2002 made in connection with the closing of records of construction work orders or authorizations, and (4) routine entries relating to the acquisition, sale, retirement, or change in the use of plant, such as transfers among accounts 2111 to 2690, inclusive, 1439, 2002 and 2005.
- Credits to accounts listed in this schedule relating to property retired and charged to account 2006 "Non-Operating Plant" shall be included in column (f).
- List each of the depreciable plant accounts and all subclasses of plant in column (a) for which a depreciable rate has been determined and as a subtotal for each primary account.

Line No.	Account (a)	CHARGES DURING THE YEAR			CREDITS DURING THE YEAR			Balance At End Of The Year (h)
		Balance At Beginning Of The Year (b)	Plant Acquired From Predecessors (See Inst. 1) (c)	Other Plant Added (d)	Plant Sold With Traffic (e)	Transfers and Other Plant Retired (f)	Adjustments (Charges and Credits) (g)	
1	TELECOMMUNICATIONS PLANT IN SERVICE							
2	2002 Property Held for Future Telecom Use	\$ 8,990		14			\$ (0)	14
3	2003 Telecommunications Plant Under Construction - Short Term			57,505			\$ (2,201)	68,696
4	2004 Telecommunications Plant Under Construction - Long Term							
5	2005 Telecommunications Plant Adjustment	\$ 2,372						
6	2006 Non-Operating Plant							2,372
7	2007 Goodwill							
	Subtotal	\$ 11,362	\$ -	\$ 57,519	\$ -	\$ -	\$ (2,201)	\$ 71,083
	<b>LAND AND SUPPORT ASSETS</b>							
8	2111 Land	\$ 4,357						\$ 4,315
9	2112 Motor Vehicles	\$ 18,537		923		\$ 42		\$ 18,692
10	2113 Aircraft					\$ 768		
11	2114 Tools&Other Work Equipment	\$ 16,888		504		\$ 14		\$ 17,378
12	2115 Garage Work Equipment							
13	2116 Other Work Equipment							
14	2121 Buildings	\$ 120,532						\$ 120,589
15	2122 Furniture	\$ 1,127						\$ 1,135
16	2123 Office Equipment	\$ 384						\$ 390
17	2124 General Purpose Computers	\$ 11,685		5,116		\$ 25		\$ 16,775
18	Subtotal	\$ 173,509	\$ -	\$ 6,614	\$ -	\$ 849	\$ -	\$ 179,273

**B-12A. ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS (continued)**  
 Verizon-New Hampshire \$(000)

Line No.	Account (a)	CHARGES DURING THE YEAR				CREDITS DURING THE YEAR				Balance At End Of The Year (h)
		Balance At Beginning Of The Year (b)	Plant Acquired From Predecessors (See Inst. 1) (c)	Other Plant Added (d)	Plant Sold With Traffic (e)	Transfers and Other Plant Retired (f)	Adjustments (Charges and Credits) (g)			
<b>CENTRAL OFFICE SWITCHING</b>										
19	2211 Analog Electronic Switching	\$ -		\$ -		\$ 1,646		\$ (6)		\$ 415,548
20	2212 Digital Electronic Switching	\$ 417,030		\$ 158						\$ -
21	2215 Electro-Mechanical Switching	\$ -								\$ -
22	2220 Operator System	\$ 1,201				\$ 5,949		\$ 27		\$ 1,201
23	2230 Central Office Transmission	\$ 556,773		\$ 10,564						\$ 561,361
24	Subtotal	\$ 975,004	\$ -	\$ 10,722	\$ -	\$ 7,595	\$ -	\$ 21		\$ 978,110
<b>INFORMATION ORIGINATION-TERMINATION</b>										
25	2311 Station Apparatus	\$ -								\$ -
26	2321 Customer Premises Wiring	\$ -								\$ -
27	2341 Large Private Branch Exchanges	\$ -								\$ -
28	2351 Public Telephone Terminal Equipment	\$ 3,997								\$ 3,997
29	2362 Other Terminal Equipment	\$ 7,627		\$ 52		\$ 357				\$ 7,321
30	Subtotal	\$ 11,624	\$ -	\$ 52	\$ -	\$ 357	\$ -	\$ -		\$ 11,318
<b>CABLE AND WIRE FACILITIES</b>										
31	2411 Poles	\$ 190,558		\$ 860		\$ 61				\$ 191,357
32	2421 Aerial Cable	\$ 656,595		\$ (1,357)		\$ 265		\$ (10)		\$ 654,982
33	2422 Underground Cable	\$ 164,059		\$ (230)		\$ 71				\$ 163,758
34	2423 Buried Cable	\$ 58,349		\$ (27)						\$ 58,322
35	2424 Submarine Cable	\$ 1,158		\$ -						\$ 1,158
36	2426 Intrabuilding Network Cable	\$ 2,298		\$ 0						\$ 2,298
37	2431 Aerial Wire	\$ -								\$ -
38	2441 Conduit System	\$ 117,400		\$ 68						\$ 117,468
39	Subtotal	\$ 1,190,416	\$ -	\$ (685)	\$ -	\$ 397	\$ -	\$ (10)		\$ 1,189,344
<b>AMORTIZABLE ASSETS</b>										
40	2681 Capital Leases	\$ -								\$ -
41	2682 Leasehold Improvements	\$ 1,120								\$ 1,120
42	2690 Intangibles	\$ 10,026		\$ 2,101		\$ 2				\$ 12,125
43	Subtotal	\$ 11,146		\$ 2,101		\$ 2				\$ 13,245
44	2001 (A/C 2110 thru 2690) (Summary A/C)	\$ 2,361,698		\$ 18,803		\$ 9,200		\$ 11		\$ 2,371,290
45	<b>Total</b>	\$ 2,373,060	\$ -	\$ 76,323	\$ -	\$ 9,200	\$ -	\$ (2,190)		\$ 2,442,373



RESERVED

**B-12B. ANALYSIS OF TELECOMMUNICATIONS PLANT-IN-SERVICE RETIRED**  
**FairPoint-New Hampshire \$(000)**

1. Respondents shall report in column (b) amounts charged or credited to the accounts identified in column (a) that are related to plant sold with traffic and in column (c) amounts charged or credited to the accounts identified in column (a) that are related to other plant retired.
2. Charges to Account 3100, Accumulated Depreciation, reported in column (c) shall be reported gross salvage and cost of removal entries (see Schedule 14A).
3. In the space provided at the bottom of the schedule, respondents shall provide a full explanation of other accounts charged or credited.

Line No.	Account Charged (or Credited) (a)	AMOUNTS RELATING TO	
		Plant Sold With Traffic (b)	Other Plant Retired (c)
1	3100 Accumulated Depreciation		
2	3200 Accumulated Depreciation - Held for Future Telecom. Use		\$ 9,156
3	3300 Accumulated Depreciation - Non-Operating		
4	3410 Accumulated Amortization - Capitalized Leases		
5	3420 Accumulated Amortization - Leasehold Improvements		
6	3500 Accumulated Amortization - Intangible		\$ 2
7	3600 Accumulated Amortization - Other		
8	2006 Non-Operating Plant		
9	7150 Gains and Losses from the Disposition of Land and Artwork		
10	7160 Other Operating Gains and Losses		
11	Cash or Other Asset Account (Net Selling Price of Depreciable Plant Sold With Traffic)		
12	Cash or Other Asset Account (Net Selling Price of Nondepreciable Plant Sold)		
13	Other Accounts Specified		\$ 42
14			
15			
Totals		\$ -	\$ 9,200

**FULL EXPLANATION OF AMOUNTS REPORTED ABOVE ON LINE 13:**

Retired land.

**B-12C. ANALYSIS OF ENTRIES IN PROPERTY HELD FOR FUTURE TELECOMMUNICATIONS USE (Account 2002)**

1. Respondents shall report in column (a) each item amounting individually to \$5,000 or more and report all others in the aggregate. Amounts reported on this schedule shall be rounded to the nearest thousand dollars.
2. In column (b) respondents shall enter the date the property was recorded in Account 2002. Property Held for the Future Telecommunications Use.
3. In column (c) respondents shall enter the dollars related to the property identified in column (a) at the beginning of the calendar year covered by the report.

Line No.	Location and Description of Property (a)	Date Included in Account 2002 (b)	Book cost of Property Beginning of Year (c)
1	Miscellaneous	2009	
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
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42			

**B-12C. ANALYSIS OF ENTRIES IN PROPERTY HELD FOR FUTURE TELECOMMUNICATIONS USE (Account 2002) (continued)**

- 4. In column (d) and (e) respondents shall enter additions and retirements, respectively.
- 5. In column (f) respondents shall enter transfers and adjustments and corrections during the calendar year and fully explain each amount recorded in column (f) which exceeds \$1,000.
- 6. In column (g) respondents shall enter the dollars related to the property identified in column (a) remaining Account 2002 at the close of the calendar year.

Line No.	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges and (Credits) (f)	Book cost of Property at End of Year (g)
1	\$	14	\$	14
2				\$
3				\$
4				\$
5				\$
6				\$
7				\$
8				\$
9				\$
10				\$
11				\$
12				\$
13				\$
14				\$
15				\$
16				\$
17				\$
18				\$
19				\$
20				\$
21				\$
22				\$
23				\$
24				\$
25				\$
26				\$
27				\$
28				\$
29				\$
30				\$
31				\$
32				\$
33				\$
34				\$
35				\$
36				\$
37				\$
38				\$
39				\$
40				\$
41				\$
42				\$

**B-12D. CAPITAL LEASES**

1. In column (a) on page 18, the respondent shall list in account number order each category of plant (Class A account level) for which capital leases are recorded.
2. In succeeding columns, respondents shall disclose in column (b) the present value of the lease commitment at the inception of the lease, in column (c) the accumulated amortization at the close of the period covered by the report, and column (d) the net book value balance at the close of the period (column b minus column c).

Line No.	Type of Property (a)	Capitalized Amount (b)	Accumulated Amortization in Account 3410 (c)	Balance (d)
1	Nothing to report			\$
2				\$
3				\$
4				\$
5				\$
6				\$
7				\$
8				\$
9				\$
10				\$
11				\$
12				\$
13				\$
14				\$
15				\$
16				\$
17				\$
18				\$
19				\$
20				\$
21				\$
22				\$
23				\$
24				\$
25				\$
26				\$
27				\$
28				\$
29				\$
30		<b>Total</b>	\$	\$

**B-12B. CAPITAL LEASES (continued)**

3. In column (e) on page 19, the respondents shall list in account number each category of plant for which capital leases are recorded. Line numbers on page 2 shall correspond with line numbers on page 18.
4. In column (f) and (g) respondents shall disclose the amount of the lease obligation to be paid during the coming year to the lessor and the remaining long-term lease obligation at the close of the year covered by the report.
5. In column (h), (i) and (j), respondents shall report the annual lease cost components called for in the column headings and paid during the year covered by the report.

Line No.	Type of Property (e)	Lease Obligation		Annual Lease Cost Components		
		Current Account 4060 (f)	Long-Term Account 4250 (g)	Amortization Account 6563 (h)	Interest Account 7520 (i)	Other (j)
1	Nothing to report					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30		Total	\$	\$	\$	\$

**B-13A. ANALYSIS OF TELECOMMUNICATIONS PLANT ACQUIRED (Account 1439)**

1. Report separately each acquisition with respect to which an amount was included in account 1439 at any time during the year, except that minor acquisitions, each with a purchase price of less than \$10,000 accounted for (a) on the basis of cost of acquisition, or (b) on the basis of original cost where there were no entries in account 2005. "Telecommunications Plant Adjustment" may be reported in the aggregate on a separate line for each group.
2. List first the data relating to those acquisitions included in account 1439 at the beginning of the year (except minor acquisitions) and the list data for the acquisition during the year.

Line No.	Name of Vendor (a)	Balance at Beginning of the Year (b)	DEBITS DURING THE YEAR				Other (g)
			Purchase Price (c)	Reserve Requirement (d)	Acquisitions Expenses (e)		
1	Nothing to report						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21		<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**B-13A. ANALYSIS OF TELECOMMUNICATIONS PLANT ACQUIRED (Account 1439) (continued)**

3. Provide explanatory footnotes for each amount included in column (j).

4. Clearances of residual credit amounts from account 1439 to account 2005 shall be reported in column (h) enclosed in parentheses.

Line No.	Name of Vendor (a)	CREDITS DURING THE YEAR					Balance at End Of the Year (k)
		Amounts Cleared to		Acct. No. (i)	Other Clearances		
		Account 2001 (g)	Account 2005 (h)		Amount (j)		
1	Nothing to report						\$
2							\$
3							\$
4							\$
5							\$
6							\$
7							\$
8							\$
9							\$
10							\$
11							\$
12							\$
13							\$
14							\$
15							\$
16							\$
17							\$
18							\$
19							\$
20							\$
21	Total	\$	\$	\$	\$	\$	\$



**B-13B. ANALYSIS OF TELECOMMUNICATIONS PLANT PURCHASED FROM OR SOLD TO AFFILIATES**

1. Report separately by affiliate and account number, sales and/or purchases with respect to which an amount was included in Account 2001 at any time during the year. The net book value included in column (f) shall equal gross investment less applicable accumulated depreciation and other appropriate items (column (e)).

2. A "P" in column (a) represents a purchase. An "S" in column (a) represents a sale.

Line No.	Type of Trans. (a)	Name of Affiliate (b)	Original Cost (c)	Accumulated Depreciation (d)	Other (e)	Net Book Value (f)	Fair Market Value (g)	Purchase Price (g)	Sale Price (h)
1		Nothing to report	\$	\$	\$	\$	\$	\$	\$
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
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25									
26									
27									
28									
29									

RESERVED

**B-14A. ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Accounts 3100-3200)**  
**FairPoint-New Hampshire \$(000)**

1. Respondents shall enter in column (b) the accumulated depreciation balance at the beginning of the calendar year for each line item in column (a).
2. Respondents shall enter in column (c) the credits to accumulated depreciation as a result of charges to Account 6561, Depreciation Expense, and in column (d) other credits to accumulated depreciation. Other credits shall be noted and explained in a separate sheet accompanying the schedule. In column (e) respondents will enter the total of credits reported in columns (c) and (d).

Line No.	Plant Account (a)	Balance At Beginning Of The Year (b)	Credits During the Year		Total (e)
			Charged to Accounts 6561 (c)	Other Credits (specified) (d)	
<b>Support Assets</b>					
1	2112 Motor Vehicles	\$ 2,147	\$ 499		\$ 499
2	2113 Aircraft				\$ -
3	2114 Tools&Other Work Equipment	\$ 10,484	\$ 1,251	\$ -	\$ 1,251
4	2115 Garage Work Equipment				\$ -
5	2116 Other Work Equipment				\$ -
6	2121 Buildings	\$ 43,552	\$ 3,367	\$ -	\$ 3,367
7	2122 Furniture	\$ 1,134	\$ (8)		\$ (8)
8	2123 Office Equipment	\$ 268	\$ 20		\$ 20
9	2124 General Purpose Computers	\$ 6,150	\$ 3,254		\$ 3,254
10	Total Support Assets	\$ 63,735	\$ 8,383	\$ -	\$ 8,383
<b>Central Office Switching</b>					
11	2211 Analog Electronic Switching	\$ -		\$ -	\$ -
12	2212 Digital Electronic Switching	\$ 386,570	\$ 31,723		\$ 31,723
13	2215 Electro-Mechanical Switching	\$ -			\$ -
14	2220 Operator System	\$ 1,206	\$ (4)		\$ (4)
15	Total Central Office Switching	\$ 387,776	\$ 31,719	\$ -	\$ 31,719
<b>Central Office Transmission</b>					
16	2230 Central Office Transmission	\$ 474,403	\$ 47,351	\$ 2	\$ 47,353
17	Total Central Office Transmission	\$ 474,403	\$ 47,351	\$ 2	\$ 47,353
<b>Information Origination/Termination</b>					
18	2311 Station Apparatus	\$ -			\$ -
19	2321 Customer Premises Wiring	\$ -			\$ -
20	2341 Large Private Branch Exchanges	\$ -			\$ -
21	2351 Public Telephone Terminal Equipment	\$ 3,980	\$ 42		\$ 42
22	2362 Other Terminal Equipment	\$ 3,063	\$ 618		\$ 618
23	Total Information Origination/Termination	\$ 7,043	\$ 660	\$ -	\$ 660
<b>Cable and Wire Facilities</b>					
24	2411 Poles	\$ 116,970	\$ 11,129		\$ 11,129
25	2421 Aerial Cable	\$ 596,934	\$ 42,230		\$ 42,230
26	2422 Underground Cable	\$ 119,995	\$ 8,592		\$ 8,592
27	2423 Buried Cable	\$ 59,226	\$ 3,314		\$ 3,314
28	2424 Submarine Cable	\$ 1,274	\$ 4		\$ 4
29	2426 Intrabuilding Network Cable	\$ 1,536	\$ 84		\$ 84
30	2431 Aerial Wire	\$ -	\$ -		\$ -
31	2441 Conduit System	\$ 46,251	\$ 2,588		\$ 2,588
32	Total Cable and Wire Facilities	\$ 942,186	\$ 67,941	\$ -	\$ 67,941
33	Other Account (specify):				\$ -
34	<b>Total</b>	\$ 1,875,143	\$ 156,054	\$ 2	\$ 156,056

**B-14A. ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Accounts 3100-3200) (continued)**  
**FairPoint-New Hampshire \$(000)**

3. Respondents shall report in column (f) and (h) charges (debits) to accumulated depreciation for plant sold with traffic and other plant retired, respectively. In column (h) respondents shall report other charges (debits) to accumulated depreciation. Other charges (debits) shall be noted and explained in a separate sheet accompanying the schedule. In column (i) respondents will enter the total of charges (debits) reported in columns (f), (g), and (h). In column (j) respondents shall report the balance at the close of the calendar year for each item in column (a).

Line No.	For Plant Sold with Traffic (see col. (p)) (f)	Charges During the Year		Total (i)	Balance at End Of The Year (j)
		For Other Plant Retired (see col. (V)) (g)	Other Charges (specify) (h)		
1	\$ -	\$ 738	\$ 1	\$ 739	\$ 1,907
2	\$ -	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ 12	\$ (29)	\$ (17)	\$ 11,752
4	\$ -	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ 10	\$ 10	\$ 46,909
7	\$ -	\$ -	\$ (1)	\$ (1)	\$ 1,127
8	\$ -	\$ -	\$ (1)	\$ (1)	\$ 289
9	\$ -	\$ 26	\$ (2)	\$ 24	\$ 9,380
10	\$ -	\$ 776	\$ (22)	\$ 754	\$ 71,364
11	\$ -	\$ -	\$ -	\$ -	\$ -
12	\$ -	\$ 4,001	\$ 573	\$ 4,574	\$ 413,719
13	\$ -	\$ -	\$ -	\$ -	\$ -
14	\$ -	\$ -	\$ 1	\$ 1	\$ 1,201
15	\$ -	\$ 4,001	\$ 574	\$ 4,575	\$ 414,920
16	\$ -	\$ 7,942	\$ 1,240	\$ 9,182	\$ 512,574
17	\$ -	\$ 7,942	\$ 1,240	\$ 9,182	\$ 512,574
18	\$ -	\$ -	\$ -	\$ -	\$ -
19	\$ -	\$ -	\$ -	\$ -	\$ -
20	\$ -	\$ -	\$ -	\$ -	\$ -
21	\$ -	\$ -	\$ -	\$ -	\$ -
22	\$ -	\$ 405	\$ (6)	\$ 399	\$ 4,021
23	\$ -	\$ 405	\$ (5)	\$ 400	\$ 3,282
24	\$ -	\$ 23	\$ 748	\$ 771	\$ 127,328
25	\$ -	\$ (56)	\$ 238	\$ 182	\$ 638,982
26	\$ -	\$ 51	\$ 86	\$ 137	\$ 128,450
27	\$ -	\$ -	\$ 3	\$ 3	\$ 62,537
28	\$ -	\$ -	\$ -	\$ -	\$ 1,278
29	\$ -	\$ -	\$ -	\$ -	\$ 1,620
30	\$ -	\$ -	\$ -	\$ -	\$ -
31	\$ -	\$ -	\$ 14	\$ 14	\$ 48,825
32	\$ -	\$ 18	\$ 1,089	\$ 1,107	\$ 1,009,020
33	\$ -	\$ -	\$ -	\$ -	\$ -
34	\$ -	\$ 13,142	\$ 2,876	\$ 16,018	\$ 2,015,181

**B-14A. ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Accounts 3100-3200) (continued)**  
**FairPoint-New Hampshire \$(000)**

- 4 Respondents shall enter in column (m) through (p) the data requested in the column headings for plant sold with traffic which was reported in column (f).
- 5 Respondents shall enter in column (q) through (v), the data requested for other plant retired, which was requested in column (g).
- 6 Each column shall be subtotaled in the spaces provided.

Line No.	Plant Account (l)	DATA RELATING TO PLANT SOLD WITH TRAFFIC (see column (f))			
		Book Cost (m)	Selling Price (n)	Commissions and Other Expenses (o)	Charge to Reserve (p)
	<b>Support Assets</b>				
1	2112 Motor Vehicles				\$ -
2	2113 Aircraft				\$ -
3	2114 Special Purpose Vehicles				\$ -
4	2115 Garage Work Equipment				\$ -
5	2116 Other Work Equipment				\$ -
6	2121 Buildings				\$ -
7	2122 Furniture				\$ -
8	2123 Office Equipment				\$ -
9	2124 General Purpose Computers				\$ -
10	Total Support Assets	\$ -	\$ -	\$ -	\$ -
	<b>Central Office Switching</b>				
11	2211 Analog Electronic Switching				\$ -
12	2212 Digital Electronic Switching				\$ -
13	2215 Electro-Mechanical Switching				\$ -
14	2220 Operator System and Radio System				\$ -
15	Total Central Office Switching	\$ -	\$ -	\$ -	\$ -
	<b>Central Office Transmission</b>				
16	2230 Central Office Transmission				\$ -
17	Total Central Office Transmission	\$ -	\$ -	\$ -	\$ -
	<b>Information Origination/Termination</b>				
18	2311 Station Apparatus				\$ -
19	2321 Customer Premises Wiring				\$ -
20	2341 Large Private Branch Exchanges				\$ -
21	2351 Public Telephone Terminal Equipment				\$ -
22	2362 Other Terminal Equipment				\$ -
23	Total Information Origination/Termination	\$ -	\$ -	\$ -	\$ -
	<b>Cable and Wire Facilities</b>				
24	2411 Poles				\$ -
25	2421 Aerial Cable				\$ -
26	2422 Underground Cable				\$ -
27	2423 Buried Cable				\$ -
28	2424 Submarine Cable				\$ -
29	2426 Intrabuilding Network Cable				\$ -
30	2431 Aerial Wire				\$ -
31	2441 Conduit System				\$ -
32	Total Cable and Wire Facilities	\$ -	\$ -	\$ -	\$ -
33	Other Account (specify):				\$ -
34	<b>Total</b>	\$ -	\$ -	\$ -	\$ -

**B-14A. ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION (Accounts 3100-3200) (continued)**  
**FairPoint-New Hampshire \$(000)**

Line No.	DATA RELATING TO OTHER PLANT RETIRED (see Col. (g))					
	Charge (or Credit) to Surplus (q)	Book Cost (r)	Cost of Removal (s)	Salvage and Insurance (t)	Miscellaneous Adjustments (u)	Net Charge to Reserve (v)
1		\$ 768		\$ 15	\$ (15)	\$ 738
2						\$ -
3	\$ 14			\$ 1	\$ (1)	\$ 12
4						\$ -
5						\$ -
6						\$ -
7			\$ -	\$ -	\$ -	\$ -
8						\$ -
9		\$ 25				\$ -
10	\$ -	\$ 807	\$ -	\$ 16	\$ (15)	\$ 26
						\$ 776
11			\$ -	\$ -	\$ -	\$ -
12	\$ 1,647				\$ -	\$ -
13					\$ 2,354	\$ 4,001
14						\$ -
15	\$ -	\$ 1,647	\$ -	\$ -	\$ 2,354	\$ 4,001
16						\$ -
17	\$ -	\$ 5,949	\$ -	\$ -	\$ 1,993	\$ 7,942
		\$ 5,949	\$ -	\$ -	\$ 1,993	\$ 7,942
18						\$ -
19						\$ -
20						\$ -
21						\$ -
22		\$ 357				\$ -
23	\$ -	\$ 357	\$ -	\$ -	\$ 48	\$ 405
					\$ 48	\$ 405
24	\$ 61		\$ 201	\$ 220	\$ (19)	\$ 23
25	\$ 264		\$ 38	\$ 198	\$ (160)	\$ (56)
26	\$ 71			\$ 10	\$ (10)	\$ 51
27						\$ -
28						\$ -
29						\$ -
30						\$ -
31						\$ -
32	\$ -	\$ 396	\$ 239	\$ 428	\$ (189)	\$ 18
33						\$ -
34	\$ -	\$ 9,156	\$ 239	\$ 444	\$ 4,191	\$ 13,142

**B-14B. BASES OF CHARGES FOR DEPRECIATION**  
FairPoint-New Hampshire \$(000)

1. Report under each of the plant accounts in column (a) all subclasses of plant for which a depreciation rate is determined and a subtotal for each primary account.
2. The net salvage factors in column (d) shall be shown as a percentage of original cost.
3. A "W" in column (b) indicates a whole life rate in column (f), an average service life in column (c) and average net salvage in column (d); and "R" indicates a remaining life rate in column (f), an average remaining life in column (c), a future net salvage in column (d).
4. For each plant account, report in column (f) the prescribed depreciation rate or those used by the utility in accordance with USOA.
5. The depreciation rate in column (f) for primary plant accounts for which subclasses or vintages are used, the life in column (c), net salvage percentage in column (d) and the accumulated depreciation percentage in column (e) are to be composite so that the resulting calculated composite rate produces the same charge to operating expenses as the sum of the individual rates applied to the individual classes of plant.

Line No.	Primary Acct. No.	Name or Description of Subclass (a)	Whole or Remaining Life (b)	Life (Years) (c)	*Net Salvage (%) (d)	Depreciation		Ratio of Depreciation Charges to Avg. Monthly Book Cost (%) (g)
						*Reserve (%) (e)	**Rate (%) (f)	
1	2112	Motor Vehicles	R	0.6	11.0	10.2%	2.7%	2.7%
2	2114	Tools & Other Work Eq.	R	8.2	0.0	67.6%	7.0%	7.2%
3	2121	Buildings	R	24.0	5.0	38.9%	2.8%	2.8%
4	2122.1	Furniture	R	8.4	0.0	99.2%	9.6%	0.7%
5	2123.1	Office Equipment	R	6.0	0.0	97.5%	13.5%	0.0%
6	2123.2	Official Comm. Equip	R	3.2	0.0	31.0%	14.3%	14.3%
7	2124	Computers	R	2.9	0.0	55.9%	21.8%	19.4%
8	2212	Digital Switch	R	8.2	0.0	99.6%	7.6%	7.6%
9	2220	Operator Systems	R	4.0	0.0	100.0%	21.6%	0.4%
10	2231	Radio	R	3.6	-5.0	-414.5%	7.5%	12.7%
11	2232.1	Digital Circuit	R	5.6	0.0	91.4%	8.6%	8.4%
12	2351	Public Telephone	R	1.0	0.0	100.6%	1.4%	1.0%
13	2362.1	Other Term Equip	R	4.6	-5.0	44.8%	8.1%	8.4%
14	2411	Poles	R	19.1	-55.0	66.5%	5.8%	5.8%
15	2421.1	Aerial CA Met	R	10.4	-24.0	111.2%	6.4%	6.4%
16	2421.2	Aerial CA N-Met	R	16.3	-24.0	49.7%	6.5%	6.6%
17	2422.1	Undrkd CA Met	R	14.0	-17.0	81.0%	4.7%	4.7%
18	2422.2	Undrkd CA N-Met	R	14.0	-17.0	72.2%	6.5%	6.5%
19	2423.1	Buried CA Met	R	9.9	-10.0	111.8%	5.7%	5.7%
20	2423.2	Buried CA N-Met	R	15.8	-10.0	17.3%	5.2%	5.3%
21	2424	Sub CA	R	10.8	-10.0	110.4%	4.4%	0.4%
22	2426.1	Intra Ntwk CA Met	R	11.9	-28.0	128.0%	7.0%	-0.6%
23	2426.2	Intra Ntwk CA N-Met	R	16.0	-27.0	32.8%	6.4%	6.4%
24	2441	Conduit	R	40.0	-10.0	41.6%	2.2%	2.2%
25								
26								
27								
28		*Composite rate for all depreciable accounts						6.6%
29		**Composite rate for all plant accounts included in Account 2001						6.7%
30								
31		Ratio to all Depreciable accounts						
32		Ratio to all plant accounts included in Account 2001						

**B-15. ANALYSIS OF ENTRIES IN ACCUMULATED AMORTIZATION (Accounts 3410, 3420, 3500, 3600)**  
**FairPoint-New Hampshire \$(000)**

1. For each account identified in the column headings for column (b) through (e), respondents shall enter credits to accumulated amortization for charges to the account identified in column (a). If charges are made to an account not specified in column (a), respondents shall insert the account number and title in the space provided in column (a) and the amounts in the appropriate column.
2. At the bottom of the schedule respondents shall describe how the annual amortization charges were determined for amounts reported in columns (d) and (e).

Line No.	Particulars (a)	Amounts Applicable to Account 3410 (b)	Amounts Applicable to Account 3420 (c)	Amounts Applicable to Account 3500 (d)	Amounts Applicable to Account 3600 (e)
1	Balance at beginning of the year		\$ 984	\$ 7,231	
	<b>ADDITIONS DURING THE YEAR</b>				
	Charged or (credited) to account:				
2	7160 Other Operating Gains and Losses				
3	7300 Non-operating Income				
4	6563.1 Amortization Expense - Capitalized leases				
5	6563.2 Amortization Expense - Leasehold Improvements		\$ 77		
6	6564 Amortization Expense - Intangible			\$ 2,080	
7	6565 Amortization Expense - Other				
8	Other Accounts (specify):				
9	7360-Nonoperating Income				
10	Balance transferred from Verizon				
11	Total additions during the Year	\$ -	\$ 77	\$ 2,080	\$ -
	<b>CLEARANCES DURING THE YEAR</b>				
	Clearance for account:				
12	2005 Telecom. Plant Adjustment				
13	2681 Capital Leases				
14	2682 Leasehold Improvements				
15					
16	Other Accounts (specify):		\$ -	\$ 3	
17					
18					
19	Total clearances during the year	\$ -	\$ -	\$ 3	\$ -
20	Balance at end of year	\$ -	\$ 1,061	\$ 9,308	\$ -



**B-16. STATEMENT OF CASH FLOWS \***

1. Report below by source the amounts applicable to increase and decrease in cash and cash equivalents for the year.
2. For all compound amounts reported, a separate schedule is to be prepared with detail breakdown indicating applicable balance sheet accounts and amounts

Line No.	Description of Item (a)	Amount (b)	Amount (c)
	Increase/(Decrease) in Cash and Cash Equivalents		
	Cash flows from Operating Activities:		
1	Net Income		
2	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
3	Depreciation and Amortization		
4	Provision for Losses for Accounts Receivable		
5	Deferred Income Taxes - Net		
6	Unamortized ITC - Net		
7	Allowance for Funds Used During Construction		
8	Net Change in Operating Receivables		
9	Net Change in Materials, Supplies and Inventories		
10	Net Change in Operating Payables and Accrued Liabilities		
11	Net Change in Other Assets and Deferred Charges		
12	Net Change in Other Liabilities and Deferred Credits Other (explained)		
13	Total Adjustments		\$
14	Net Cash provided by (used in) Operating Activities	XXXXXXXXXX	\$

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:  
<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

**B-16. STATEMENT OF CASH FLOWS (Continued)**

Line No.	Description of Item (a)	Amount (b)	Amount (c)
	Total from preceding page	XXXXXXXXXX	\$ -
15	Cash Inflows (Outflows) from Investing Activities	XXXXXXXXXX	
	Construction/Acquisition for Property, Plant and Equipment (Net of Allowance of funds, Used During Construction and Capital Lease Related Acquisitions)	XXXXXXXXXX	
16	Proceeds from Disposals of Property, Plant and Equipment		
17	Investments in and Advances in Affiliates		
18	Proceeds from Repayment of Advances		
19	Other Investing Activities (explained)		
20	Net Cash Provided by (Used In) Investing Activities	XXXXXXXXXX	\$ -
	Cash flows from Financing Activities	XXXXXXXXXX	
21	Net Increase/Decrease in Short-Term Debt with Original Maturities of Three Months or Less	XXXXXXXXXX	
22	Advances from Affiliates	XXXXXXXXXX	
23	Repayment of Advances from Affiliates		
24	Proceeds from Long-Term Debt		
25	Repayment of Long-Term Debt		
26	Payment of Capital Lease Obligations		
27	Proceeds from Issuing Common Stock/Equity Investment for Parent		
28	Repurchase of Treasury Shares		
29	Dividends Paid		
30	Other Financing Activities (explained)		
	Repurchase of Preferred Stock		
31	Net Cash Provided by Financing Activities	XXXXXXXXXX	\$ -
32	Effect of Exchange Rate Changes on Cash	XXXXXXXXXX	
33	Net Increase/(Decrease) in Cash and Cash Equivalents	XXXXXXXXXX	
34	Cash and Cash Equivalents at Beginning of Period	XXXXXXXXXX	\$ -
35	Cash and Cash Equivalents at End of Period	XXXXXXXXXX	\$ -

Notes:

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:  
<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

**B-17. RECEIVABLES AND INVESTMENTS - AFFILIATED AND NONAFFILIATED COMPANIES**  
(\$000)

1. Respondents shall name the affiliated company in column (a) and for each account identified in columns (b) through (j), disclose the account balances attributable to affiliate at the close of the calendar year covered by the report.
2. Respondents shall report in the aggregate for each account identified in column (b) through (i) and column (k) receivables and investments in nonaffiliated companies. For the purpose of this schedule, nonaffiliated companies shall include any company in which the respondent has an ownership interest which does not meet the definition of an affiliated company set out in PART Puc 409. This schedule shall not include telecommunications accounts receivable from other customers.

Line No.	Name (a)	Account 1160 Investment (b)	Account 1170 Telecom. Receivable (c)	Account 1171 Accts. Receivable Allowance (d)	Account 1190.1 Account 1190.2 Receivable (e)	Account 1191 Accounts Allowance-Other (f)
1	Affiliated Companies					
2						
3	InterCompany		\$ 33,281			
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19	Total Affiliate Balance	\$ -	\$ 33,281	\$ -	\$ -	\$ -
20	Nonaffiliated Companies					
21	Investments:					
22						
23						
24						
25						
26						
27						
28	Telco Accounts Receivable		\$ 19,294	\$ (28,862)		
29						
30	Other A/R - General					
31						
32						
33						
34						
35						
36						
37						
38	Accrual					
39	Accrual					
40	Total Nonaffiliated Balance	\$ -	\$ 19,294	\$ (28,862)	\$ -	\$ -

**B-17. RECEIVABLES AND INVESTMENTS - AFFILIATED AND NONAFFILIATED COMPANIES (cont.)**

3. For each affiliate named in column (a) enter in column (l) the following codes which reflect the nature of the receivable or investment.

"A-1" Stock of active telephone companies; "A-2" Stocks for inactive telephone companies; "A-3" Stocks of other companies; "B" Long-term securities owned; "C" Investment advances; "D" Other. Each of the required classifications and totals for each code shall be shown on a separate line. (An inactive company is one which has been practically absorbed in a controlling company, and which neither operates property nor administers its financial affairs; if it maintains an organization, it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.)

Line No	Account 1200.1 Account 1200.2 Notes (g)	Account 1201 Notes Receivable (h)	Account 1210 Int. & Div. (i)	Account 1401 Investments in Affiliated (j)	Account 1402 Investments in Nonaffiliated (k)	Class (l)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19	\$ -	\$ -	\$ -	\$ -	\$ -	
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
39						
40	\$ -	\$ -	\$ -	\$ -	\$ -	

**B-18. OTHER PREPAYMENTS (Account 1330)**

1. Identify and report below end of year balances for all prepayments included in account 1330.

Line No.	Description (b)	Year End Balance (c)
1	Prepaid Rent	\$ 4
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
	Total	\$ 4

B-19. OTHER CURRENT ASSETS (Account 1350)		
1. Identify and report below end of year balances for each other current assets included in account 1350.		
Line No.	Description (b)	Year End Balance (c)
1	Special Projects Billing	\$ (8)
2	SAB 101 - Deferral	\$ 3,157
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	Total	\$ 3,149

**B-20. SINKING FUNDS (Account 1408)**

1. Report below balances at end of year of each sinking fund maintained during the year.
2. Explain for each fund any deductions other than withdrawals for the purpose for which the fund was created.
3. If the trustee of any fund is an associated company, give name of such associated company.
4. If assets other than cash comprise any fund, furnish a list of the securities or other assets, giving interest or dividend rate of each, cost to respondent, number of shares or principal amount, and book cost at end of year.

Line No.	Account No. (a)	Name of Fund and Trustee if any (b)	Year End Balance (c)
1			
2			
3		Nothing to Report	
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39		Total	\$ -

**B-21. OTHER NONCURRENT ASSETS (Account 1410)**

1. Identify and report below balances at end of year for each noncurrent asset included in account 1410.

Line No.	Account No. (a)	Description (b)	Year End Balance (c)
1	400	Pension Asset	\$ 3,570
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
Total			\$ 3,570



**B-22. DEFERRED CHARGES (Accounts 1438, 1439)**

1. Respondents shall disclose in separate sections for Accounts 1438 and 1439, the amounts deferred for each item amounting individually to \$500 or more.
2. Any balancing amount applicable to each account shall be shown on the line Aggregate of All Other Items, which is the line immediately preceding the total line for each account.

Line No.	Description of Item (a)	Amount at end of the Year (b)
1	Engineering Planned Orders	
2	Deferred Maintenance and Retirements	\$ 1,555
3		\$ (3,600)
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18	Aggregate of All Other Items	
19		
20	<b>Total</b>	<b>\$ (2,046)</b>
21	Account 1439	
22	SAB 101 Deferral - Long Term	
23		\$ 1,360
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38	Aggregate of All Other Items	
39		\$ 133
40	<b>Total</b>	<b>\$ 1,493</b>

**B-23. UNAMORTIZED DEBT ISSUANCE EXPENSE (Account 1407)**

1. Report under applicable subheading the particulars of Unamortized Issuance Expense.
2. Show premium amount by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long term debt original issued.
4. In column (c) show the expense, associated with the issuance and sale of evidence of debt.
5. Explain any debits and credits other than amortization debited to Account 7530, Amortization of Debt Issuance Expense.

Line No.	Designation of Long Term Debt (a)	Principal Amount of Securities (b)	Total debt Issuance Expense (c)	AMORTIZATION PERIOD		Balance Beginning of Year (f)	Debits During Year (g)	Charged to Account 7530 (h)	Balance end of Year (i)
				From (d)	To (e)				
1									\$
2	N/A								\$
3									\$
4									\$
5									\$
6									\$
7									\$
8									\$
9									\$
10									\$
11									\$
12									\$
13									\$
14									\$
15									\$
16									\$
17									\$
18	<b>TOTALS</b>	\$ -	\$ -			\$ -	\$ -	\$ -	\$ -

**B-24. LONG-TERM DEBT (Accounts 4210, 4260 AND 4270)**

1. Respondent shall disclose in account number order in column (a) a description of the long-term obligation, including those maturing in the coming year.
2. In column (b), (c), and (d), respectively, respondents shall enter the nominal date if issue, the date of maturity and the face amount outstanding.
3. In column (c), respondent shall enter the amount of unamortized premium or discount.
4. In column (f) and (g), respectively, the respondents shall enter the state rate and the yield rate.
5. In column (h) and (i), respectively, respondents shall enter the current and long-term portions reduced or increased by any unamortized discount or premium as of the close of the calendar year and subtotalled.
6. In column (j) enter the amount of interest charged to account 7510 for each obligation.

Line No	Description of Obligation (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short-Term Portion (h)	Long-Term Portion (i)	Account 7510 Interest on Funded Debt (j)
1				\$		0.00%	0.00%			
2	N/A									
3	For FairPoint Communication Debt please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:									
4	<a href="http://phx.corporate-ir.net/phoenix.zhtml?c=122010&amp;p=irol-sec">http://phx.corporate-ir.net/phoenix.zhtml?c=122010&amp;p=irol-sec</a>									
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28	Total			\$	\$			\$	\$	\$

**B-25. NOTES PAYABLE (Account 4020)**

1. In column (a) respondents shall list name of creditor, specify whether non affiliate or affiliate.
2. In column (b) describe type of indebtedness, notes, draft and other evidences of indebtedness.
3. In column (c), (d), (e) and (f) respectively, respondents shall enter the date of issue, date of maturity, amount at end of year and the interest rate per annum.
4. In column (g) indicate the amount of interest charged to account 7540 for each transaction.

Line No.	Name of Creditor (a)	Description of Transaction (b)	Date of Issue (c)	Date of Maturity (d)	Amount at End of the Year (e)	Interest Rate Per Annum (f)	Interest Expense Acct 7540 (g)
1					\$		
2							
3	N/A						
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19	Aggregate of all other items					XXX	
20	Total				\$	XXX	\$

<b>B-26. ACCOUNTS PAYABLE (Accounts 4010, 4120 and 4130)</b>		
In separate sections of column (a) for payables to affiliates and for other accounts payable, respondents shall identify in the respective sections the name of each affiliate creditor, and the name of each other creditor with the ten largest payables in excess of \$10,000		
Line No.	Description of Item (a)	Amount at end of the Year (b)
1	<b>Account 4010 Accounts Payable</b>	
2	InterCompany	\$ (140,345)
3		
4		
5		
6		
7		
8		
9		
10	Aggregate of all other items	\$ 28,417
		\$ (111,928)
	<b>Account 4120 Other Accrued Liabilities</b>	
11	SAB Short Term	\$ 3,157
12		
13		
14		
15		
16		
17		
18		
19		
20	Aggregate of all other items	
	<b>Total</b>	<b>\$ 3,157</b>
	<b>Account 4130 Other Current Liabilities</b>	
21	Special projects Billing	\$ 390
22	CABS TBR Reserves	\$ 1,081
23	Employee Benefits Other	\$ 200
24	Advanced Billing	\$ 6,691
25		
26		
27		
28		
29		
30	Aggregate of all other items	\$ 0
	<b>Total</b>	<b>\$ 8,363</b>

**B-29. OTHER LONG-TERM LIABILITIES (Account 4310)**

1. Respondents shall disclose the data for each item in the account amounting individually to \$10,000 or more.
2. Respondents shall disclose remaining amounts in the aggregate.

Line No.	Description of Item (a)	Amount at End of the Year (b)
1	Accrued Pension Obligation	\$ 17,790
2	SAB 101 - Deferral	\$ 1,360
3	Post Employment Benefits -Severance	\$ (49)
4	Accrued Operating Rents	\$ 135
5	Post Retirement Medical - Management	\$ 1,710
6	Post Retirement Medical - Associates	\$ 82,450
7		
8		
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13		
14		
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41		
42		
43		
44		
45	Aggregate of All Other Items	\$ 86
46	<b>Total</b>	<b>\$ 103,482</b>

**B-30A. OTHER DEFERRED CREDITS (Accounts 4360)**

1. Respondents shall disclose the data for each item in the account amounting individually to \$10,000 or more.
2. Respondents shall disclose remaining amounts in the aggregate.

Line No.	Description of Item (a)	Amount at End of the Year (b)
1	Deferred Tax Regulatory Adjustment Net	\$ (1,852)
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
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31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44	Aggregate of Balances in Clearing Accounts not Itemized Above	
45	Aggregate of All Other Items	
46		
<b>Total</b>		<b>\$ (1,852)</b>

**B-30B. NET DEFERRED OPERATING INCOME TAXES (Accounts 4100 and 4340)**  
FairPoint-New Hampshire \$(000)

1. In column (b) respondents shall provide the beginning balance for the year for each of the line items in column (a).
2. In columns (c) and (d) respondents shall provide the account numbers and amounts, respectively for current year deferrals.
3. In column (e) respondents shall provide the amounts for the current year amortizations.
4. In column (f) respondents shall provide the adjustments debits or (credit) made to the items in column (a) if the adjustment amounts to \$10,000 or more. Each adjustment shall also be explained at the bottom of this schedule.
5. In column (g) respondents shall provide the ending balance for the year.

Line No.	Particulars (a)	Balance at Beginning of Year (b)	Account (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance at End of Year (g)
	<b>PROPERTY RELATED</b>						
	<b>NET CURRENT OPERATING INCOME TAXES (Account 4100)</b>						
	Provision for Deferred Operating Income Taxes-Net						
1	Federal Income Taxes	\$ -				\$ -	\$ -
2	State and Local Income Taxes	\$ -				\$ -	\$ -
3	Total Net Current Operating Income Taxes (Account 4100)	\$ -	7250			\$ -	\$ -
	<b>NET NON-CURRENT OPERATING INCOME TAXES (Account 4340)</b>						
	Provision for Deferred Operating Income Taxes-Net						
4	Federal Income Taxes	\$ 36,805		\$ (27,986)		\$ (837)	\$ 9,656
5	State and Local Income Taxes	\$ 9,146		\$ (7,198)		\$ 889	\$ 1,059
6	Total Net Non-Current Operating Income Taxes (Account 4340)	\$ 45,951	7250	\$ (35,184)		\$ 52	\$ 10,715
7	<b>TOTAL PROPERTY RELATED DEFERRED OPERATING INCOME TAXES</b>	\$ 45,951		\$ (35,184)		\$ 52	\$ 10,715
	<b>NONPROPERTY RELATED</b>						
	<b>NET CURRENT OPERATING INCOME TAXES (Account 4100)</b>						
	Provision for Deferred Operating Income Taxes-Net						
8	Federal Income Taxes	\$ (9,339)				\$ 36,089	\$ (45,428)
9	State and Local Income Taxes					\$ 15,892	\$ (15,892)
10	Total Net Current Operating Income Taxes (Account 4100)	\$ (9,339)	7250			\$ 51,981	\$ (61,320)
	<b>NET NON-CURRENT OPERATING INCOME TAXES (Account 4340)</b>						
	Provision for Deferred Operating Income Taxes-Net						
11	Federal Income Taxes	\$ (24,848)		\$ (6,846)		\$ (11,907)	\$ (19,787)
12	State and Local Income Taxes			\$ (1,817)		\$ (221)	\$ (1,596)
13	Total Net Non-Current Operating Income Taxes (Account 4340)	\$ (24,848)	7250	\$ (8,663)		\$ (12,128)	\$ (21,383)
14	<b>TOTAL NONPROPERTY RELATED DEFERRED OPERATING INCOME TAXES</b>	\$ (34,187)		\$ (8,663)		\$ 39,853	\$ (82,703)
15	<b>TOTAL DEFERRED OPERATING INCOME TAXES</b>	\$ 11,764		\$ (43,847)		\$ 39,905	\$ (71,988)



**B-30C. NET DEFERRED NON-OPERATING INCOME TAXES (Accounts 4110 and 4350)  
FairPoint-New Hampshire \$(000)**

1. In column (b) respondents shall provide the beginning balance for the year for each of the line items in column (a).
2. In columns (c) and (d) respondents shall provide the account numbers and amounts, respectively for current year deferrals.
3. In column (e) respondents shall provide the amounts for the current year amortizations.
4. In column (f) respondents shall provide the adjustments debits or (credit) made to the items in column (a) if the adjustment amounts to \$10,000 or more. Each adjustment shall also be explained at the bottom of this schedule.
5. In column (g) respondents shall provide the ending balance for the year.

Line No.	Particulars (a)	Balance at Beginning of Year (b)	Account (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance at End of Year (g)
	<b>PROPERTY RELATED</b>						
	<b>NET CURRENT NON-OPERATING INCOME TAXES (Account 4110)</b>						
1	Provision for Deferred Non-Operating Income Taxes-Net	\$ -		\$ -	\$ -	\$ -	\$ -
2	Federal Income Taxes		7450				\$ -
3	State and Local Income Taxes		7450				\$ -
4	Deferred Income Tax Effect of Extraordinary Items-Net						\$ -
5	Federal Income Taxes		7640				\$ -
	State and Local Income Taxes		7640				\$ -
	<b>Total Net Current Non-Operating Income Taxes (Account 4110)</b>	\$ -		\$ -	\$ -	\$ -	\$ -
	<b>NET NONCURRENT NON-OPERATING INCOME TAXES (Account 4350)</b>						
6	Provision for Deferred Non-Operating Income Taxes-Net						\$ -
7	Federal Income Taxes		7450				\$ -
8	State and Local Income Taxes		7450				\$ -
9	Deferred Income Tax Effect of Extraordinary Items-Net						\$ -
10	Federal Income Taxes		7640				\$ -
	State and Local Income Taxes		7640				\$ -
	<b>Total Net Noncurrent Non-Operating Income Taxes (Account 4350)</b>	\$ -		\$ -	\$ -	\$ -	\$ -
11	<b>TOTAL PROPERTY RELATED DEFERRED NON-OPERATING INCOME TAXES</b>	\$ -		\$ -	\$ -	\$ -	\$ -

B-30C. NET DEFERRED NON-OPERATING INCOME TAXES (Accounts 4110 and 4350) (continued)								
FairPoint-New Hampshire \$(000)								
Line No.	Particulars (a)	Balance at Beginning of Year (b)	Account (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance at End of Year (g)	
	<b>NONPROPERTY RELATED</b>							
	<b>NET CURRENT NON-OPERATING INCOME TAXES (Account 4110)</b>							
	Provision for Deferred Non-Operating Income Taxes-Net	\$ -		\$ -	\$ -	\$ -	\$ -	
12	Federal Income Taxes		7450				\$ -	
13	State and Local Income Taxes		7450				\$ -	
14	Deferred Income Tax Effect of Extraordinary Items-Net						\$ -	
15	Federal Income Taxes	\$ -	7640				\$ -	
16	State and Local Income Taxes	\$ -	7640				\$ -	
	Total Net Current Non-Operating Income Taxes (Account 4110)			\$ -	\$ -	\$ -	\$ -	
	<b>NET NONCURRENT NON-OPERATING INCOME TAXES (Account 4350)</b>							
	Provision for Deferred Non-Operating Income Taxes-Net							
17	Federal Income Taxes	\$ 236	7450				\$ 236	
18	State and Local Income Taxes	\$ (142)	7450				\$ (142)	
19	Deferred Income Tax Effect of Extraordinary Items-Net						\$ -	
20	Federal Income Taxes	\$ -	7640				\$ -	
21	State and Local Income Taxes	\$ -	7640				\$ -	
	Total Net Noncurrent Non-Operating Income Taxes (Account 4350)	\$ 94		\$ -	\$ -	\$ -	\$ 94	
22	<b>TOTAL NONPROPERTY RELATED DEFERRED NON-OPERATING INCOME TAXES</b>	\$ 94		\$ -	\$ -	\$ -	\$ 94	

RESERVED

**B-31. RETAINED EARNINGS (Account 4550) \***

1. List all reserves or appropriations of retained earnings and provide an explanation for any charges that have taken place in these reserves.

Line No.	(a)	Amount at End of Year (b)
1	Retained Earnings - <u>Reserved</u> - Balance January 1, 2007	
2	Current Year Changes	
3	Retained Earnings - <u>Reserved</u> - Balance December 31, 2008	
4		\$ -
5	Retained Earnings - <u>Unreserved</u>	
6	Balance January 1	
7	Net Income From Schedule B-11	
8	Other Increases (Itemize)	
9	Total Increases to Retained Earnings	\$ 604,249
10	Decreases to Unreserved Retained Earnings	\$ 604,249
11	Net Loss From Schedule B-11	
12	Dividends Paid and Declared (Schedule B-32)	\$ 79,677
13	Other Decreases (Itemize)	\$ -
14	Total Decreases to Retained Earnings	\$ 44,836
15	Balance December 31 <u>Unreserved</u> Retained Earnings	\$ 124,514
16	Balance all Retained Earnings December 31, 2008	\$ 479,736
		\$ 479,736

The balances above were created at the time of cutover such that individual state financial statements were balanced.

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:

<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

**B-32. DIVIDENDS DECLARED (Account 4560)**

1. If any dividend was payable other than cash, give complete details in a note.

Line No.	Class of Stock (a)	Date Declared (b)	Date Payable (Paid) (c)	Number of Shares on Which Declared (d)	Dividend Per Share (e)	Amount of Dividends Declared (Paid) (f)
1	Dividends Paid:					
2						
3						
4						
5						
6	Total Dividends Paid					
7	Dividends Declared					
8						\$ -
9						
10	Total Dividends Declared					
11	Total Dividends Paid					
12	and Declared For Year					
13	(To Schedule B-31)					
14	Total					
						\$ -
						\$ -
						\$ -
						\$ -

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address: <http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

**B-33. CAPITAL STOCK, ADDITIONAL PAID-IN-CAPITAL AND TREASURY STOCK (Accounts 4510.1, 4510.2, 4520, 4530.1, 4530.2)**

1. Beginning with common stock, respondents shall enter the class of stock and a description of any pertinent details such as differences in voting rights, preferences as to dividends or assets, pledges, etc.

2. Respondents shall provide the information specified in column headings (b) through (h) and note any other pertinent information at the bottom of the schedule.

Line No.	Class and Description of Capital (a)	Par or Stated Value Amount (b)	Number of Shares Authorized (c)	Amount of Stock Issued and Outstanding (d)	Additional Paid in Capital Account 4520 (e)	Total (Col. (d)&(e)) (f)	Number of Shares of Treasury Stock (g)	Amount in Treasury Stock Account 4530.1 & 4530.2 (h)
1								
2					\$ (5,175)	\$ (5,175)		
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	<b>Total</b>	\$		\$	\$ (5,175)	\$ (5,175)		\$

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:  
<http://pnc.corporate.r.net/phoenix.zhtml?c=122010&p=irol-sec>

<b>I-34. OPERATING REVENUES</b>			
<b>FairPoint-New Hampshire \$(000)</b>			
Line No.	Item	Amount for the Current Year (b)	Increase Over Preceding Year (c)
<b>LOCAL NETWORK REVENUES</b>			
1	5001 Basic Area Revenue	\$ 71,576	\$ (3,308)
2	5002 Optional Extended Area Revenue	\$ 329	\$ 329
3	5003 Cellular Mobile Revenue	\$ 3,075	\$ (139)
4	5004 Other Mobile Services Revenue	\$ -	\$ -
5	5010 Public Telephone Revenue	\$ -	\$ -
6	5040 Local Private Line Revenue	\$ 8,986	\$ 2,235
7	5050 Customer Premises Revenue	\$ -	\$ -
8	5060 Other Local Exchange Revenue	\$ 29,212	\$ 10,053
9	Total Local Network Services Revenues	\$ 113,179	\$ 9,171
<b>NETWORK ACCESS SERVICES REVENUES</b>			
10	5081 End User Revenue	\$ 30,921	\$ 2,873
11	5082 Switched Access Revenue	\$ 25,031	\$ 6,209
12	5083 Special Access Revenue	\$ 98,158	\$ 28,387
13	5084 State Access Revenue	\$ -	\$ -
14	Total Network Access Services Revenue	\$ 154,110	\$ 37,469
<b>LONG DISTANCE NETWORK SERVICES REVENUES</b>			
15	5100 Long Distance Message Revenue	\$ 22,200	\$ 1,351
16	5120 Long Distance Private Network Revenue	\$ -	\$ -
17	5160 Other Long Distance Revenue	\$ -	\$ -
18	5169 Other Long Distance Revenue Settlements	\$ -	\$ -
19	Total Long Distance Network Services Revenues	\$ 22,200	\$ 1,351
<b>MISCELLANEOUS REVENUES</b>			
20	5230 Directory Revenue	\$ 2,032	\$ (274)
21	5240 Rent Revenue	\$ 23,491	\$ (1,964)
22	5250 Corporate Operations Revenue	\$ -	\$ -
23	5260 Miscellaneous Revenue	\$ 2,679	\$ 177
24	5270 Carrier Billing and Collection Revenue	\$ 867	\$ (3,307)
25	Total Miscellaneous Revenues	\$ 29,068	\$ (5,368)
	5280 Nonregulated Revenue	\$ 8,467	\$ (2,097)
<b>UNCOLLECTIBLE REVENUES</b>			
26	5301 Uncollectible Revenue - Telecommunications	\$ -	\$ -
27	5302 Uncollectible Revenue - Other	\$ -	\$ -
28	Total Uncollectible Revenues	\$ 21,799	\$ 17,016
29	TOTAL Operating Revenues	\$ 305,224	\$ 23,510

**I-34A. INCREASE OR DECREASE IN OPERATING REVENUES**

Give explanation of all operating revenue accounts, over \$500, that have increased or decreased 10% or more over the prior year.

As a general matter the year over year increase is due to the current year including 12 months of revenues whereas the prior period included 9 months.

The decline in 5230 is due to decreased usage and billed revenues

The decrease in Carrier Billing and Collection Revenue is due to reduced affiliate revenues. This is the result of allocating costs to the affiliates in 2009 rather than revenue billing which occurred in 2008.

The decline in non-regulated revenues is due to the decreased revenues from nonregulated services including payphones and inside wire

The increase in uncollectibles is related to an increase writeoff of customer accounts.



<b>I-35. OPERATING EXPENSES</b>					
<b>FairPoint-New Hampshire \$(000)</b>					
Line No.	Item (a)	Amount for the Current Year (b)	Increase Over Preceding Year (c)		
<b>PLANT SPECIFIC OPERATIONS EXPENSES</b>					
1	6112 Motor Vehicle Expense	\$ (98)	\$ (101)		
2	6113 Aircraft Expense	\$ 0	\$ (4)		
3	6114 Special Purpose Vehicle Expense	\$ -	\$ (239)		
4	6115 Garage Work Equipment Expense	\$ -	\$ -		
5	6116 Other Work Equipment Expense	\$ -	\$ -		
6	6121 Land and Building Expense	\$ 32,359	\$ 20,932		
7	6122 Furniture and Artworks Expense	\$ 75	\$ (238)		
8	6123 Office Equipment Expense	\$ 568	\$ 203		
9	6124 General Purpose Computers Expense	\$ 8,452	\$ (4,495)		
10	6211 Analog Electronic Expense	\$ 16	\$ (104)		
11	6212 Digital Electronic Expense	\$ 10,187	\$ (2,788)		
12	6215 Electro-Mechanical Expense	\$ -	\$ -		
13	6220 Operators System Expense	\$ 930	\$ 976		
14	6230 Central Office Transmission Expense	\$ 3,055	\$ (3,436)		
15	6311 Station Apparatus Expense	\$ 0	\$ 0		
16	6341 Large Private Branch Exchange Expense	\$ -	\$ -		
17	6351 Public Telephone Terminal Equipment Expense	\$ 793	\$ 421		
18	6362 Other Terminal Equipment Expense	\$ 1,826	\$ (3,684)		
19	6411 Pole Expense	\$ 2,024	\$ (1,400)		
20	6421 Aerial Cable Expense	\$ 39,927	\$ 10,825		
21	6422 Underground Cable Expense	\$ 4,352	\$ 2,231		
22	6423 Buried Cable Expense	\$ 898	\$ (726)		
23	6424 Submarine Cable Expense	\$ 2	\$ 2		
24	6426 Intra-building Network Cable Expense	\$ 2	\$ (61)		
25	6431 Aerial Wire Expense	\$ -	\$ -		
26	6441 Conduit Systems Expense	\$ 825	\$ 152		
27	Total Plant Specific Operations Expense	\$ 106,193	\$ 18,467		
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>					
28	6511 Property Held for Future Telecommunications Use Expense	\$ 2	\$ 2		
29	6512 Provisioning Expense	\$ 176	\$ (48)		
30	6530 Network Operations Expense	\$ 48,153	\$ 11,485		
31	6540 Access Expense	\$ 13,282	\$ 2,383		
32	6561 Depreciation Expense-Telecommunications Plant in Service	\$ 156,054	\$ 40,994		
33	6562 Depreciation Expense-Property Held for Future Telecommunications Use	\$ -	\$ -		
34	6563.1 Amortization Expense-Capital Leases	\$ -	\$ -		
35	6563.2 Amortization Expense-Leaseholds	\$ 77	\$ (13)		
36	6564 Amortization Expense-Intangible	\$ 2,080	\$ (186)		
37	6565 Amortization Expense-Other	\$ -	\$ -		
38	Total Plant Nonspecific Operations Expense	\$ 219,823	\$ 54,619		
<b>CUSTOMER OPERATIONS EXPENSE</b>					
39	6610 Marketing	\$ 7,675	\$ 5,367	see sch 35B	
40	6620 Service	\$ 25,131	\$ 6,523	see sch 35B	
41	Total Customer Operations Expense	\$ 32,806	\$ 11,890		
<b>CORPORATE OPERATIONS EXPENSE</b>					
42	6710 Executive and Planning	\$ 0	\$ (126)	see sch 35B	
43	6720 General and Administrative	\$ 68,847	\$ (7,567)	see sch 35B	
44	6790 Provision for Uncollectible Notes Receivable	\$ -	\$ -		
45	Total Corporate Operations Expense	\$ 68,847	\$ (7,693)		
46	TOTAL Operating Expense	\$ 427,669	\$ 77,284		

**I-35A. INCREASE OR DECREASE IN OPERATING EXPENSES**

Give explanation of all operating expense accounts, over \$500, that have increased or decreased 10% or more over the prior year.

As a general matter the year over year increase is due to the current year including 12 months of expenses whereas the preceding year included 9 months. Additionally the increase in 6121 (Land and Buildings) and decrease in 6124 (General Purpose Computer) is due to the classification of Systems related costs in 6121 that were included in 6124 in the preceding year

Additionally, account 6610 increased as a result of increased marketing efforts and account 6720 decreased primarily due to the Transition Service Agreement with Verizon ending in January 2009.

I-35B. CUSTOMER OPERATIONS EXPENSE (Account 6610 and 6620) CORPORATE OPERATIONS EXPENSE (Account 6710 and 6720) FairPoint-New Hampshire \$(000)			
Line No.	Item (a)	Amount for the Current Year (b)	Increase Over Preceding Year (c)
<b>Marketing</b>			
1	6611 Product Management	\$ 6,674	\$ 4,753
2	6612 Sales	\$ -	\$ -
3	6613 Product Advertising	\$ 1,001	\$ 614
4	Total Marketing Expense-Account 6610	\$ 7,675	\$ 5,367
<b>Services</b>			
5	6621 Call Completion Services	\$ 1,020	\$ (1,484)
6	6622 Number Services	\$ 1,399	\$ 84
7	6623 Customer Services	\$ 22,712	\$ 7,923
8	Total Service-Account 6620	\$ 25,131	\$ 6,523
<b>CORPORATE OPERATIONS EXPENSE</b>			
<b>Executive and Planning</b>			
9	6711 Executive	\$ -	\$ (126)
10	6712 Planning	\$ 0	\$ -
11	Total Executive and Planning-Account 6710	\$ 0	\$ (126)
<b>General and Administrative</b>			
12	6721 Accounting and Finance		\$ (2,776)
13	6722 External Relations		\$ (9,341)
14	6723 Human Resources		\$ (2,840)
15	6724 Information Management		\$ (31,569)
16	6725 Legal		\$ (2,975)
17	6726 Procurement		\$ 1
18	6727 Research and Development		\$ (3)
19	6728 Other General and Administrative	\$ 68,847	\$ 41,935
20	Total General and Administrative-Account 6720	\$ 68,847	\$ (7,567)

I-36A. OTHER OPERATING TAXES (Account 7240) FairPoint-New Hampshire \$(000)								
Line No.	Name of Government (a)	TYPE OF TAX						Total (h)
		(b)	(c)	(d)	(e)	(f)	(g)	
1	U.S. GOVERNMENT							
2	Service Taxes	\$ 1,050						\$ 1,050
3	State PUC Assessment		\$ 340					\$ 340
4	Property Taxes:			\$ 1,564				\$ 1,564
5								
6								
7								
8								
9								
10								
11	Operating Tax - All Other							
12								
13								
14								
15								
16								
17								
18								
19								
20								
21	<b>Total</b>	\$ 1,050	\$ 340	\$ 1,564	\$ -	\$ -	\$ -	\$ 2,955
22	Billed by Others	\$ 0						\$ 0
23	Billed to Others							
24	Charged to Construction							
25								
27								
28								
29								
30								
31								
32								
33	<b>Total</b>	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0

**I-36B. PREPAID TAXES AND TAX ACCRUALS (account 1300, 4070 and 4080)  
FairPoint-New Hampshire \$(000)**

1. Respondents shall disclose in column (b) the amount of prepaid taxes and in column (c) the amount of tax accruals at the beginning of the year and in column (d) other taxes accrued.
2. In column (d) respondents shall list the accounts charged and in column (e) the amount of taxes accrued during the year.
3. In column (f) respondents shall disclose the amount of taxes paid and in column (g) the adjustments with an explanation for each adjustment amounting to \$25,000 or more.
4. In succeeding columns, respondents shall disclose the balance at the end of the year for the prepaid taxes, income tax accruals and other taxes accrued.

Line No.	Particulars (a)	Balance at Beginning of the Year		Taxes Accrued During the Year		Taxes Paid During the Year (f)	Adjustments Debit or (Credit) (g)	Balance at End of the Year	
		Prepaid Taxes (Acct. 1300) (b)	Tax Accruals (Accts 4070 & 4080) (c)	Acct Charged (d)	Amount (e)			Prepaid Taxes (Acct. 1300) (h)	Tax Accruals (Accts 4070 & 4080) (i)
1	Prepaid Taxes	\$ -							
2	Income Taxes Accrued		\$ -	1300		\$ 37,122		\$ -	\$ 37,122
3	Other Taxes Accrued			4070		\$ 61		\$ -	\$ 61
4				4080					
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
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21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33	<b>Total</b>	\$ -	\$ -		\$ -	\$ 37,183	\$ -	\$ -	\$ 37,183

**I-36C. NONOPERATING TAXES**  
**FairPoint-New Hampshire \$(000)**

Line No.	Description of Item (a)	Total	Federal	State	Local
1	Account 7410 Nonoperating Investment Tax Credits-Net	\$ -			
2	Account 7420 Nonoperating Federal Income Tax	\$ 0	\$ 0		
3	Account 7430 Nonoperating State and Local Income Taxes	\$ -		\$ -	
4	Account 7440 Nonoperating Other Taxes	\$ -			
5					
6					
7					
8					
9					
10	Account 7450 Provision for Deferred Nonoperating Income Taxes-Net	\$ -	\$ -	\$ -	
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
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35					
36					
	<b>Total</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**I-36D. EXTRAORDINARY ITEMS (Accounts 7610, 7620, 7630, 7640)**

FairPoint-New Hampshire \$(000)

1. Give below a brief description of each item included in accounts 7610, Extraordinary Income Credits and 7620, Extraordinary Income Charges.
2. Give reference to Commission approval, including date of approval for extraordinary treatment of any item.
3. The income tax effects relating to each extraordinary item should be listed in Column (c) and Column (d).

Line No.	Description of Item (a)	Gross Amount (b)	Account 7630 Current Income Tax Effect (c)	Account 7640 Provision for Deferred Income Tax Effect (d)
1	Account 7610 Extraordinary Income Credits	\$ -		
2				
3	Nothing to Report			
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	TOTALS	\$ -	\$ -	\$ -
17	Account 7620 Extraordinary Income Charges	\$ -		
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30	TOTALS	\$ -	\$ -	\$ -
31	Net Extraordinary Items	\$ -	\$ -	\$ -

I-37. NONOPERATING INCOME AND EXPENSE (Account 7300)			
FairPoint-New Hampshire \$(000)			
Line No.	Item (a)	Amount for the Current Year (b)	Increase Over Preceding Year (c)
1	7310 Dividend Income		\$ -
2	7320 Interest Income	\$ -	\$ -
3	7330 Income From Sinking and Other Funds	\$ -	\$ -
4	7340 Allowance for Funds Used During Construction	\$ 568	\$ 268
5	7350 Gains or Losses for the Disposition of Certain Property	\$ (74)	\$ (74)
6	7355 Equity in Earnings of Affiliated Companies	\$ -	\$ -
7	7360 Other Nonoperating Income	\$ (3,939)	\$ (3,939)
8	7370 Special Charges	\$ (197)	\$ (165)
9	Total Nonoperating Income and Expenses	\$ (3,642)	\$ (3,910)

I-38. OTHER OPERATING INCOME AND EXPENSE (Account 7100)			
FairPoint-New Hampshire \$(000)			
Line No.	Item (a)	Amount for the Current Year (b)	Increase Over Preceding Year (c)
1	7110 Income from Custom Work	\$ -	\$ -
2	7130 Return from Nonregulated Use of Regulated Facilities	\$ -	\$ -
3	7140 Gains and Losses from Foreign Exchange	\$ -	\$ -
4	7150 Gains and Losses from the Disposition of Land and Artwork	\$ -	\$ -
5	7160 Other Operating Gains and Losses	\$ 59	\$ (212)
6	Total Other Operating Income and Expenses	\$ 59	\$ (212)



**I-39. SPECIAL EXPENSES ATTRIBUTABLE TO FORMAL REGULATORY CASES**

1. Show, to the extent indicated by the following instructions and columnar captions, the expenses incurred during the year in connection with formal cases before Federal, State and other regulatory commissions, and in cases in which such a commission is a party, including to the same extent, the cost of defense and prosecution of petitions and complaints presented to such commissions and the cost of valuations, inventories, and appraisals of plant made for rate-case purposes and those taken in compliance with State and other regulatory authorities.
2. Expenses in connection with the procurement of franchises, issuance of capital stock and funded debt, and the expenses of securing certificates of convenience and necessity shall not be included in this schedule.
3. Give in column (a) a complete description of the regulation, hearing, or case that occasioned the items reported, including its number or other identification and the name of the regulatory commission concerned.
4. Column (b) shall include special assessments by regulatory commissions pertaining to the proceedings reported. General assessments by such commissions shall not be included in this schedule.
5. Column (c) shall include amounts such as fees, retainers, and expenses (excepting minor expenses not readily separable) paid to attorneys, consultants, and others not carried on the payroll of respondent.
6. Column (d) shall include salaries and wages and readily associated expenses of employees that have been employed or retained in service by respondent solely or almost entirely because of one or more of the proceedings reported.
7. Total expenses reported in columns (b), (c) and (d) shall be reported in column (e).

Line No.	Description of Regulation or Case (a)	Special Assessments by Regulatory Commissions (b)	OTHER SPECIAL EXPENSES			Total Reported Expenses and Assessments (e)
			Fees, Retainers Expenses, and Other Billed Items (c)	Incremental Payroll Costs and Directly Associated Expenses (d)		
1						\$
2						\$
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
13	Total	\$	\$	\$	\$	\$

**I-40. ADVERTISING**

**FairPoint-New Hampshire \$(000)**

1. Respondents shall disclose on line 1, the total amount charged to Account 6613, Product Advertising. Those costs shall include costs incurred in developing and implementing promotional strategies to stimulate the purchase of products and services.
2. Respondents shall disclose on line 2 the total amount of external relations expenditures to include cost to maintain relations with the government, regulators, other companies and the general public.
3. On line 3 respondents shall disclose the total costs incurred that are typically given special regulatory scrutiny for ratemaking purposes. These costs are presumed to be excluded from the cost of service in setting rates.

Line No.	Account No. (a)	Account Title (b)	Amount During the Year (c)
1	6613	Product Advertising	\$ 1,001
2	6722	External Relations	\$ -
3	7370	Special Charges	\$ 197
4		Other (Specify):	
5			
6			
7			
8			
9			
10			
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34			
35			
36			
37			
38			
39			
<b>Total</b>			<b>\$ 1,198</b>

**I-41. GENERAL SERVICES AND LICENSES  
FairPoint-New Hampshire \$(000)**

1. Respondents shall enter in column (a) the name of the affiliate to whom respondents paid \$10,000 or more for services received under a license agreement, a general service contract, or other arrangement providing for the furnishing of general account, engineering,
2. Respondents shall describe in column (b) the type of service provided.

Line No.	Name of Affiliate (a)	Service Provided (b)	Amount (c)
1			
2	FairPoint Communications Inc	Billing associated with the provision of Centralized Shared Services including	\$ -
3			\$ 26,825
4	FairPoint Logistics	Executive, Legal, Finance, Public Policy, Strategic Planning, Human Resources, Information Systems and Technology, Marketing, Sales, Customer Services, Purchasing, Logistics and Supply Chain systems and processes.	\$ 103,371
5			
6			
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36			
37			
38			
39			
40			
41			
42	Aggregate of All Other Amounts		
43		<b>Total</b>	\$ 130,195

<b>I-42. MEMBERSHIPS FEES AND DUES</b> <b>FairPoint-New Hampshire \$(000)</b>				
1. Respondents shall disclose in column (b) the number of organizations in column (c) the number of memberships and in column (d) amount paid for membership fees and dues for each line item in column (a).				
2. Respondents shall specify in column (a) any other type of organization not provided for elsewhere on this schedule.				
Line No.	Particulars (a)	NUMBER OF		Amount (d)
		Organi- zations (b)	Member- ships (c)	
<b>EXPENDITURES CHARGED TO OPERATING EXPENSES</b>				
1	Associations of Telecommunications Companies,			
2	Trade, Technical and Professional Associations and			
3	Other Organizations (specify type):			
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15	<b>Total</b>	-	-	\$ -
<b>EXPENDITURES CHARGED TO SPECIAL CHARGES (ACCOUNT 7370)</b>				
16	Social and Athletic Clubs			
17	Service Clubs (Rotary, Kiwanis, etc.)			
18	Lobbying			
19	Charitable Contributions			\$ -
20	Membership Fees			\$ 191
21	Penalties & Fines			\$ 6
22	Abandoned Construction Projects			
23	Other (specify type):			
24	Higher Ed			\$ -
25	Telephone Pioneers			
26	All Other			
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37	<b>Total</b>	-	-	\$ 197

**I-43. DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES**

1. Report for each service rendered (including materials furnished incidental to the service which are impracticable of separation) by recipient and in total the aggregate of all payments made during the year where the aggregate of all such payments to a recipient was \$5,000 or more including fees, retainers commissions, gifts, contributions, assessments, bonuses, subscriptions, allowances for expenses or any other form of payments for services or as donations. Payments to a recipient by two or more companies within a single system under a cost sharing or other joint arrangement shall be considered a single item for reporting in this schedule and shall be shown in the report of the principal company in the joint arrangement (as measured by gross operating revenues) with reference thereto in the reports of the other system companies in the joint arrangement

Line No.	Name of Recipient (a)	Nature of Service (b)	Amount of Payment (c)
1	Please refer to the sheet in this file labeled "Payments".		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
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36			
37			
38			
39			
40			<b>Total</b>

**S-1. SWITCHES AND ACCESS LINES IN SERVICE**

Line No.	Description (a)	Total at End of Year			
		Electronic	Digital	Main Access Lines (1)	
		(b)	(c)	Analog (d)	Digital (e)
<b>SWITCHES</b>					
1	Central Office Switches - List by exchange		26		
2	Remote Switches		101		
3	Carrier Systems				
	Total	0	127	391,457	
<b>ACCESS LINES (1)</b>					
<u>Access Lines In Service by Customer:</u>				<b>Total at End of Year</b>	
				Analog (b)	Digital (c)
4	Residential Access Lines				
5	Multiparty				
6	Total Access Lines			233,614	
7	Business Access Lines:				
8	Single Party				
9	Basic Rate ISDN (2B+D)				
10	Primary Rate ISDN				
11	PBX Trunks				
12	Centrex-CO Line Count				
13	InWATS - Closed End				
14	Total Business Lines			129,051	
15	Other Access Lines				
16	Radio Common Carrier (RCC) and Company Mobile				
17	Switched Access - FGA FX/ONAL			2,616	
18	Public Pay Stations			26,176	
19	Other				
20	Total Other Access Lines			28,792	
21	Total Access Lines			391,457	

(1) The access lines reported are combined analog and digital switched access lines, including Official, Public and UNE-P. Private lines and Special Access lines are not included.

<b>S-2. OUTSIDE PLANT STATISTICS - DISTRIBUTION/FEEDER and INTEROFFICE (1)</b>		
Line No.	Description (a)	Total at End of Year (b)
1	Miles of Aerial Wire	0
	<b>Aerial Cable</b>	24,806
2	Miles of Sheath Copper	20,124
3	Miles of Wire in Cable	
4	Miles of Sheath Fiber	4,682
5	Miles of Fiber in Sheath	
	<b>Underground Cable</b>	2,411
6	Miles of Sheath Copper	1,566
7	Miles of Wire in Cable	
8	Miles of Sheath Fiber	845
9	Miles of Fiber in Sheath	
	<b>Buried Cable</b>	1,889
10	Miles of Sheath Copper	1,877
11	Miles of Wire in Cable	
12	Miles of Sheath Fiber	12
13	Miles of Fiber in Sheath	
	<b>Submarine Cable</b>	28
14	Miles of Sheath Copper	28
15	Miles of Wire in Cable	
16	Miles of Sheath Fiber	0
17	Miles of Fiber in Sheath	
	<b>Total Distribution/Feeder Cable and Interoffice Cable (2)</b>	29,144
18	Miles of Sheath - Copper	23,603
19	Miles of Sheath - Fiber	5,542
20	Fiber Miles in Sheath - Lit	
21	Fiber Miles in Sheath - Deployed (Lit & Dark)	
	<b>Poles and Underground Conduit</b>	
22	Number of Poles (Equivalents)	239,071
23	Underground Conduit- Trench Miles	681.97
24	Underground Conduit- Duct Miles	

(1) Outside Plant Statistics reflect combined totals for Distribution/Feeder and Interoffice facilities.

(2) Total Distribution/Feeder and interoffice sheath miles includes sum of: aerial, underground, buried, submarine; plus intrabuilding cable.

<b>S-3. OUTSIDE PLANT STATISTICS - INTEROFFICE (1)</b>		
Line No.	Description  (a)	Total at End of Year  (b)
1	Miles of Aerial Wire  <b>Aerial Cable</b>	
2	Miles of Sheath Copper	
3	Miles of Wire in Cable	
4	Miles of Sheath Fiber	
5	Miles of Fiber in Sheath  <b>Underground Cable</b>	
6	Miles of Sheath Copper	
7	Miles of Wire in Cable	
8	Miles of Sheath Fiber	
9	Miles of Fiber in Sheath  <b>Buried Cable</b>	
10	Miles of Sheath Copper	
11	Miles of Wire in Cable	
12	Miles of Sheath Fiber	
13	Miles of Fiber in Sheath  <b>Submarine Cable</b>	
14	Miles of Sheath Copper	
15	Miles of Wire in Cable	
16	Miles of Sheath Fiber	
17	Miles of Fiber in Sheath  <b>Total Interoffice Cable</b>	
18	Miles of Sheath - Copper	
19	Miles of Sheath - Fiber	
20	Fiber Miles in Sheath - Lit	
21	Fiber Miles in Sheath - Deployed (Lit & Dark)	

(1) Outside Plant statistics for interoffice facilities are combined with Distribution/Feeder facilities and displayed on schedule S-2.



<b>S-4. PENSION COST *</b>			
Line No.	Item	Current Year (b)	Previous Year (c)
	Associate Plan		
1	Accumulated Benefit Obligation	\$ -	\$ -
2	Projected Benefit Obligation	\$ -	\$ -
3	Fair Value of Plan Assets	\$ -	\$ -
4	Discount Rate for Settlement of Liabilities	0.00%	0.00%
5	Expected Long-Term Return on Assets Net Periodic Pension Cost:	0.00%	0.00%
6	Service Cost	-	\$ -
7	Interest Cost	-	\$ -
8	Return on Plan Assets	-	\$ -
9	Amortization of Transition Amount	-	\$ -
10	Amortization of Prior Service Cost	-	\$ -
11	<b>Total</b>	\$ -	\$ -
12	Minimum Required Contribution	\$ 0	\$ 0
13	Actual Contribution	\$ 0	\$ 0
14	Maximum Amount Deductible	\$ 0	\$ 0
15	Benefits Payments	\$ 0	\$ 0
16	Pension Cost	\$ -	\$ -
17	Pension Cost Capitalized	\$ -	\$ -
18	Accumulated Pension Asset (Liability) at Close of Year	\$ -	\$ -
19	Number of Company Employees: Covered and not Covered by Plan		
20	Active		
21	Retired		

\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:  
<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=irol-sec>

<b>S-4. PENSION COST *</b>			
Line No.	Item	Current Year (b)	Previous Year (c)
	Management Plan		
1	Accumulated Benefit Obligation	\$ -	\$ -
2	Projected Benefit Obligation	\$ -	\$ -
3	Fair Value of Plan Assets	\$ -	\$ -
4	Discount Rate for Settlement of Liabilities	0.00%	0.00%
5	Expected Long-Term Return on Assets	0.00%	0.00%
	Net Periodic Pension Cost:		
6	Service Cost	\$ -	\$ -
7	Interest Cost	\$ -	\$ -
8	Return on Plan Assets	\$ -	\$ -
9	Amortization of Transition Amount	\$ -	\$ -
10	Amortization of Prior Service Cost	\$ -	\$ -
11	<b>Total</b>	\$ -	\$ -
12	Minimum Required Contribution	\$ 0	\$ 0
13	Actual Contribution	\$ 0	\$ 0
14	Maximum Amount Deductible	\$ 0	\$ 0
15	Benefits Payments	\$ -	\$ -
16	Pension Cost	\$ -	\$ -
17	Pension Cost Capitalized	\$ -	\$ -
18	Accumulated Pension Asset (Liability) at Close of Year	\$ -	\$ -
19	Number of Company Employees:		
20	Covered and not Covered by Plan		
21	Active		
21	Retired		

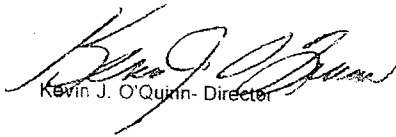
\* Please refer to the FairPoint 10K filed on May 28, 2010, which can be found at the following website address:  
<http://phx.corporate-ir.net/phoenix.zhtml?c=122010&p=iroi-sec>

ANNUAL REPORT  
of

FairPoint Communications, Inc.  
TO THE  
STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION  
For the year ended December 31,  
2009  
OATH

State of \_\_\_\_\_  
County of \_\_\_\_\_ ss.

I, the undersigned, a Director of the FairPoint Communications, Inc. utility, on my oath do severally say that the foregoing report has been prepared, under my direction, from the original books, papers and records of said utility, that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of my knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made.



Kevin J. O'Quinn- Director

Please see the following pages signed by the company officers.



NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION  
 21 S. FRUIT ST., STE 10 CONCORD, NH 03301-2429  
 603-271-2431  
 www.puc.nh.gov

NHPUC Form CLEC-3  
 Annual Report  
 Page 2 of 2  
 Puc 449.04  
 Rev. 12/06/04

NH Public Utilities Commission Annual Report of Northern New England Telephone Operations, LLC for 200 9

ANNUAL REPORT

OF

Northern New England Telephone Operations LLC d/b/a Fair Point Communications

TO THE  
 STATE OF NEW HAMPSHIRE  
 PUBLIC UTILITIES COMMISSION  
 For the Year Ended December 31, 200

OATH

State of New Hampshire

County of Hillsborough ss.

I  
 We, the undersigned, Teresa R. Rosenberger and \_\_\_\_\_ of the Northern New England Telephone Operations LLC

utility, on our oath do severally say that the annual report filed with the Commission on behalf of said utility on \_\_\_\_\_ (date) has been prepared, under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made.

Teresa R. Rosenberger President

\_\_\_\_\_  
 Treasurer

Subscribed and sworn to before me this  
2ND day of JUNE, 2010

Elizabeth L. Hackett

ELIZABETH L. HACKETT

NOTARY PUBLIC - NH  
COMM. EXP. 12/18/11



NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION  
 21 S. FRUIT ST., STE 10 CONCORD, NH 03301-2429  
 603-271-2431  
 www.puc.nh.gov

NHPUC Form CLEC-3  
 Annual Report  
 Page 2 of 2  
 Puc 449.04  
 Rev. 12/06/04

NH Public Utilities Commission Annual Report of Northern New England for 200 9  
TELEPHONE OPERATIONS LLC

ANNUAL REPORT

OF

Northern New England Telephone Operations LLC

TO THE  
 STATE OF NEW HAMPSHIRE  
 PUBLIC UTILITIES COMMISSION  
 For the Year Ended December 31, 200

OATH

State of New Hampshire

County of Rockingham ss.

I, the undersigned, THOMAS E. GAFFIN and \_\_\_\_\_ of the Northern New

England Telephone Operations LLC utility, on our oath do severally say that the annual report filed with the Commission on behalf of said utility on \_\_\_\_\_ (date) has been prepared, under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made.

\_\_\_\_\_  
 President  
Thomas E. Gaffin  
 Treasurer

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

RESERVED

CITIES AND TOWNS IN NEW HAMPSHIRE IN WHICH FAIRPOINT COMMUNICATIONS, INC.  
CONDUCTS ITS TELEPHONE BUSINESS

FairPoint Communications, Inc.  
Year Ended December 31, 2009

Schedule A-5

Abworth	Dallou	Harris Location	Mont Vernon	Sargents Purchase
Albany	Danbury	Haverhill	Nashua	Seabrook
Alexandria	Danville	Hebron	Nelson	Second Collage Grant
Allenstown	Deerfield	Hill	New Boston	Sharon
Astead	Deering	Hinsdale	Newbury	Shelburne
Aiton	Derry	Holderness	New Castle	Somersworth
Amherst	Dorchester	Hollis	New Durham	South Hampton
Andover	Dover	Hooksett	Newfields	Springfield
Antrim	Dublin	Hopkinton	Newington	Stark
Ashland	Dummer	Hudson	New Hampton	Stewartstown
Atkinson	Dunbar	Jackson	New Ipswich	Stoddard
Auburn	Durham	Jeffrey	New London	Strafham
Barnstead		Jefferson	Newmarket	Straford
Barrington		Keene	Newport	Sugar Hill
Bartlett		Kensington	Newton	Sullivan
Bath		Kingston	North	Sunapee
Bean's Purchase		Kingston	Northfield	Surry
Bedford		Laconia	North Conway	Sutton
Belmont		Lancaster	North Hampton	Swansey
Bennington		Lancaster	Northumberland	
Benion		Landaff	Northwood	Tamworth
Berlin		Lebanon	Nottingham	Temple
Bethlehem		Lee	Orange	Thompson and Meserve
Boscawen		Lempster	Orford	Purchase
Bow		Lincoln	Ossipee	Thornon
Brentwood		Lisbon		Tilton
Bridgewater		Litchfield	Pelham	Troy
Bristol		Littleton	Pembroke	Tuftsboro
Brookfield		Livermore	Peterborough	Twin Mountain
Brookline		Londonderry	Piermont	Unity
		Loudon	Pinkham's Grant	
		Lyme	Pittsburg	Wakefield
Cambridge		Lynde	Pittsfield	Walpole
Campton		Lynde	Plainfield	Warren
Canaan		Lynde	Plaistow	Washington
Canaan		Madbury	Plymouth	Waterville Valley
Candia		Madison	Portsmouth	Wears
Cannery		Manchester		Wentworth
Carroll		Marblehead		Wentworths Location
Center Harbor		Marlow		West Epping
Center Sandwich		Martins Location		Westmoreland
Charlestown		Mason		Whitefield
Chatham		Meredith		Wilnot
Chatham		Memphis		Wilton
Chester		Merrimack		Winchester
Chesterfield		Middleton		Windham
Chichestor		Mifan		Wolfeboro
Claremont		Milford		Woodstock
Clarksville		Milton		
Colebrook		Millisfield		
Columbia		Monroe		
Concord		Moultonborough		
Conway				
Connors				
Croyden				

## Schedule A-6: Payments to individuals

Name	Sum Gross Amt
TAX PARTNERS LLC	11,159,691
CASS INFORMATION SYSTEMS INC	5,426,214
UNIVERSAL SERVICE ADMINSTRATIVE COMPANY	4,612,105
PUBLIC SERVICE CO OF NEW HAMPSHIRE	4,000,352
SOLIX INC	3,779,285
BYERS ENGINEERING CO	2,870,309
STATE OF NEW HAMPSHIRE	2,774,973
ANTHEM NH	2,700,505
OCCAM NETWORKS INC	2,393,353
GLACIAL ENERGY OF NEW ENGLAND	1,905,986
ZAMPELL BUILDING SERVICES	1,851,793
NEW HAMPSHIRE ELECTRIC COOP	1,794,845
TELENETWORK PARTNERS LTD	1,566,456
DIRECTV INC	1,379,856
PROFESSIONAL TELECONCEPTS INC	1,370,687
UNITED HEALTHCARE INSURANCE CO	1,244,026
NEW HAMPSHIRE DEPARTMENT OF REVENUE	1,205,196
CIENA COMMUNICATIONS INC	1,053,202
ALCATEL - LUCENT USA INC	1,049,920
WORLDBRIDGE PARTNERS	969,622
MARELD COMPANY INC	907,814
AETNA	891,273
IPC LOUISVILLE PROPERTIES LLC	848,508
AJILON COMMUNICATIONS LLC	797,454
VINCENT CONSTRUCTION LLC	778,432
METLIFE	736,681
CISCO	701,093
BLUE CROSS BLUE SHIELD OF MASSACHUSETTS INC	684,552
LUCAS TREE EXPERT CO	662,847
VERIZON BUSINESS	660,457
ALAMON TELCO INC	646,266
R H WHITE CONSTRUCTION INC	638,541
NEW ENGLAND TRAFFIC CONTROL SERVICES INC	634,397
FUJITSU NETWORK COMMUNICATIONS	605,784
KOBIE MARKETING INC	600,866
ENHANCED SERVICES BILLING	578,000
CRC COMMUNICATIONS OF MAINE INC	568,746
BAY RING COMMUNICATIONS	528,499
ON TARGET UTILITY SERVICES	524,900
INTERNAL REVENUE SERVICE	514,100
MEDCO HEALTH SOLUTIONS	512,566
VERIZON CABS	492,794
CITY OF MANCHESTER	489,265
C & I INVESTMENT ASSOC	485,619
TELCORDIA TECHNOLOGIES	480,473
PAETEC COMMUNICATIONS INC	479,746
AUTOMOTIVE RENTALS	452,324
COMCAST PHONE	448,199
PAIR GAIN COMMUNICATIONS INC	424,516
COMMUNICATIONS DATA GROUP INC	423,866
CONTEL CONSTRUCTION	418,869
MARTIN DAWES ANALYTICS	390,956
MMSTV ASSOCIATE	361,485
JCR CONSTRUCTION CO INC	352,668
HEWLETT-PACKARD CO	330,504
ATLANTIC MANCHESTER REALTY LLC	324,022
RNK INC	298,333
CONVERSENT COMMUNICATIONS LLC	292,083
ASPLUNDH TREE EXPERT CO	286,409
GRANITE STATE TELEPHONE INC	282,971
NATIONAL GRID	281,406
MVP SELECT CARE INC	270,770
OXFORD GLOBAL RESOURCES INC	268,693
VERISIGN INC	257,391
EXFO AMERICA INC	255,370
LIGHTSHIP TELECOM LLC	250,212



## Schedule A-6: Payments to Individuals

Name	Sum Gross Amt
LACASSE PAVING & CONST CO INC	247,820
NEW HAMPSHIRE 911 AUTHORITY	246,993
ALBACADO GREENLAND LIMITED	238,190
POWER & TELEPHONE SUPPLY CO	237,550
NATIONAL ENERGY CONTROL SERVICES INC	225,648
ALLSTATES TECHNICAL SERVICES LLC	225,166
VERIZON WIRELESS	224,988
GREEN MOUNTAIN TRAFFIC CONTROL INC	218,322
CITY OF CONCORD	217,635
INTERSTATE TRS FUND	214,514
BUTLER AMERICA	206,791
NORTEL NETWORKS INC	202,145
INDUSTRIAL AIR CONDITIONING INC	200,423
UNITIL ENERGY SYSTEMS INC	199,210
VERIZON NETWORK FUNDING CORP	198,913
ETNA ROAD REALTY TRUST	197,886
CTC COMMUNICATIONS	194,150
HUNTER NORTH ASSOC LLC	192,313
ILD TELECOMMUNICATIONS INC	183,107
AMERICAN CABLE ASSEMBLIES INC	180,012
PERFORMANCE LEARNING SOLUTIONS	176,091
BUTLER FLEET SERVICES INC	170,962
FEDEX	170,879
NORTHEAST UTILITIES	167,803
PROSERVE PARTNERS INC	162,518
NEC CORPORATION OF AMERICA	159,137
ALLEN & COLES MOVING SYSTEMS	158,643
UNION TELEPHONE CO	158,251
NEW HAMPSHIRE DISTRIBUTORS INC	155,771
ADA TRAFFIC CONTROL LTD	152,921
E.J. O'LEARY & R. M. VINICUS	152,053
CHOICE ONE COMMUNICATIONS	151,884
DARTMOUTH COLLEGE	151,654
HEWITT ASSOCIATES LLC	151,288
WALKER & ASSOCIATES	149,000
BROWNING FERRIS INDUSTRIES	147,064
SYMETRA LIFE INSURANCE COMPANY	142,117
NE TECHNOLOGIES INC	138,782
PRECISION VALLEY COMM OF VT LLC	137,869
SBA PROPERTIES INC	135,097
REX BROTHERS EQUIPMENT LLC	133,027
GENERAL ELECTRIC CAPITAL CORPORATION	131,783
FEDERAL COMMUNICATIONS COMMISSION	126,643
CONTEL CONSTRUCTION.	126,010
NORTH PACIFIC GROUP INC	124,847
DUNBARTON TELEPHONE COMPANY INC	121,822
SMALLEY CONTRACTORS	121,200
TOWN OF LONDONDERRY, NH	116,052
UNITED CONCORDIA COMPANIES INC	111,372
AMERICAN TOWING ALLIANCE LLC/CELTIC CAPITAL COF	109,267
PAYMENTONE	107,276
NORTON ASSET MANAGEMENT INC	107,259
TOWN OF SALEM	107,171
LEVEL 3 COMMUNICATIONS LLC	106,037
CANVAS SYSTEMS LLC	103,229
MCI COMMUNICATIONS SERVICES INC	102,511
KEARSAGE TELEPHONE	101,577
SUPERMEDIA LLC	101,003
NORTHERN VERMONT TRAFFIC CONTROL	96,097
LINEAGE POWER CORPORATION	92,687
NEUSTAR INC	92,589
MET LIFE	90,514
CITY OF PORTSMOUTH	90,052
CHAMBERLAIN CONSTRUCTION CORP	89,093
AON CONSULTING	88,643
TIDEWATER TELECOM	84,204

## Schedule A-6: Payments to Individuals

Name	Sum Gross Amt
TELEPHONE RELAY SERVICE	84,145
NASHUA POLICE DEPARTMENT	83,499
ROBSON WOESE INC	83,200
THE STRATA GROUP INC	81,400
CDW DIRECT LLC	81,252
CONTOOCCOOK VALLEY TELEPHONE	80,075
TEKELEC	79,040
ML HOLDINGS	77,108
WINDHAM POLICE DEPT	76,910
TOWN OF MERRIMACK	75,714
CITY OF NASHUA	74,816
TOWN OF WOLFEBORO	74,613
INFRA RED BUILDING & POWER SERVICE	74,528
BROOKCOM CONSULTING	72,979
UTILITY EQUIPMENT LEASING CORPORATION	70,772
SHIELDS ENVIRONMENTAL INC	70,437
CAEL NATIONAL HEADQUARTERS	68,546
TOWN OF DERRY	65,013
TOWN OF HANOVER NH	64,455
CITY OF DOVER NH	63,515
NORTH AMERICAN EQUIPMENT UPFITTERS INC	63,222
ROCHESTER POLICE DEPARTMENT	62,986
BROADVIEW NETWORKS INC	62,718
DAN SMITH PE	62,699
ALL WIRED UP	62,520
GPI CONSTRUCTION INC	62,331
NATIONAL MOBILE COMMUNICATIONS CORP	60,345
CITY OF KEENE	59,933
CITY OF LACONIA	59,311
APR CONSULTING INC	59,149
AT&T CARRIER BILLING	54,959
BANGOR HYDRO ELECTRIC CO	53,239
SEGTEL	52,371
US CELLULAR	51,476
S&W SERVICES INC	51,109
OTEL TELEKOM INC	50,682
TEKMARK GLOBAL SOLUTIONS LLC	48,981
TOWN OF PLAISTOW	48,404
ENPRO SERVICES INC	47,731
INTERSTATE MOVING & STORAGE INC	46,932
TOWN OF GOFFSTOWN NH	45,910
DAVID MARSHALL RAMSEY	44,313
REILLY ELECTRIC CO	42,715
AC MOORE	42,206
NORTHEAST BATTERY & ALTERNATOR INC	41,297
ROBERT J NICHOLS	39,879
CITY OF SOMERSWORTH	39,226
TOWN OF DURHAM	39,121
DAVIS VISION	39,113
RIDGEVIEWTEL LLC	38,417
NEWPORT POLICE DEPARTMENT	37,780
REVOLUTION NETWORKS	37,538
QUIRK CHEVROLET BUICK HUMMER - NH	37,394
TOWN OF CANDIA NH	37,034
UTILITY CONSULTANTS INC	35,897
UNITED BEHAVIORAL HEALTH	35,682
AFL NETWORK SERVICES	35,290
JACK YOUNG COMPANY INC	35,268
KINGSTON POLICE DEPT	35,252
CENTRAL MAINE POWER	34,827
TOWN OF BEDFORD	34,776
DOVER PAINT VARNISH CO	34,763
NH TRIPLE PLAY LLC	34,500
TOWN OF LANCASTER NH	34,049
BRETTON WOODS TELEPHONE CO	33,814
VILLAGE OF MORRISVILLE	33,656

## Schedule A-6: Payments to Individuals

Name	Sum Gross Amt
EVERCOM SYSTEMS INC	33,159
TOWN OF LITTLETON	32,467
ELITE INSTALLATIONS INC	32,323
CITY OF ROCHESTER	31,688
TAG INC	31,383
SPRINT	29,933
TOWN OF PELHAM	29,836
CUSTOM WELDING & FABRICATION INC	29,780
S & J COMMUNICATIONS LLC	29,500
MILFORD POLICE DEPARTMENT	29,240
TOWN OF EPPING	29,205
TOWN OF HAMPTON	28,438
TOWN OF BRENTWOOD	27,264
TOWN OF NEWMARKET	26,875
TOWN OF HAMPSTEAD NH	26,816
SYMMETRICOM INC	26,056
FUJITSU AMERICA	25,916
MORENG TELECOM PRODUCTS LLC	25,614
TOWN OF HUDSON	25,544
Coffill, Russell D	25,088
TOWN OF NEWTON NH	24,769
VOGEL INC	24,741
DAYCO SERVICE INC	24,322
GLOBAL RENTAL COMPANY INC	24,200
BUTLER AMERICA LLC	23,980
TELE ATLAS NORTH AMERICA INC	23,844
GRAPPONE AUTOMOTIVE GROUP	23,815
ALTEC INDUSTRIES INC	23,716
NEW ENGLAND MOTOR FREIGHT INC	23,518
WINNIPESAUKEE TRUCK PARTS & REPAIR LLC	22,804
COMMUNICATIONS TEST DESIGN INC	21,200
UNITEDHEALTH GROUP	21,131
VALUEOPTIONS	20,922
CHEM AQUA INC	20,817
Andrews, Mr Travis L (Travis Andrews)	20,682
KANSYS INC	20,480
ALL-TECH COMMUNICATIONS LLC	20,227
ITA GROUP	19,942
TOWN OF EXETER NH	19,821
YRC	19,801
CITY OF LEBANON	19,782
TREASURER STATE OF NEW HAMPSHIRE	19,762
ROCKINGHAM COUNTY SHERIFFS DEPT	19,625
LITTLETON WATER & LIGHT DEPARTMENT	19,623
FIBERNEXT LLC	19,584
GRAYBAR	19,348
BRIDGESTONE AMERICAS	19,106
TOWN OF PETERBOROUGH	18,997
YANKEE TRUCKS LLC	18,679
MERRIMACK COUNTY TELEPHONE	18,289
NORMS TRANSMISSION SVC	18,135
Sullivan-Gray, Ms Catherine R (Cathy)	18,070
TOWN OF RYE	17,907
EPPING POLICE DEPARTMENT	17,756
BERLIN POLICE DEPARTMENT	17,748
SABIL & SONS INC	17,745
AMHERST POLICE DEPARTMENT	17,493
WORKPLACE ESSENTIALS INC	17,458
LIBERTY SECURITY & TRAFFIC CONTROL OF KEENE INC	17,440
AIRGAS EAST INC	16,807
TOWN OF RINDGE	16,772
TOWN OF CONWAY NH	16,758
UC SYNERGETIC	16,574
STANTEC CONSULTING SERVICES INC	16,514
J & J AUTO BODY	16,432
CFJ MANUFACTURING	16,395

Schedule A-6: Payments to Individuals	
Name	Sum Gross Amt
MULTI WELD SERVICES INC	16,301
RELCO KOHLHASE ELECTRIC DIVISION	16,077
TOWN OF NEWPORT	16,065
TOWN OF SEABROOK	15,557
WILTON TELEPHONE	15,452
EAST PENN MANUFACTURING CO INC (DEKA BATTERIES	15,354
AMERICAN RED CROSS/PINE TREE COUNCIL	15,000
NEW HAMPSHIRE BUSINESS REVIEW	15,000
LAKES REGION FIBERGLASS	14,420
HARVARD MANAGEMENT CO INC	14,280
TOWN OF MILFORD	14,163
NH DIVISION OF PARKS & RECREATION	14,117
TOWN OF NORTH HAMPTON NH	14,049
GCR TRUCK TIRE CENTER INC	13,984
TOWN OF ATKINSON NH	13,933
HARDWICK ELECTRIC DEPT	13,765
TOWN OF RAYMOND	13,511
PARKER K BAILEY & SONS	13,253
TOWN OF EAST KINGSTON	12,959
JOHN J DINELLA	12,936
TOWN OF HOOKSETT	12,927
SYSTEM STUDIES INCORPORATED	12,833
ABSOLUTE AIR QUALITY	\$ 12,780
TOWN OF MILTON	12,471
RBG INC	12,381
TOWN OF MEREDITH NH	12,358
RL/AAQ	12,194
AQUAWAVE WATER FILTRATION SYSTEMS OF AMERICA	12,079
TOWN OF BARRINGTON	12,020
PEASE DEVELOPMENT AUTHORITY	11,573
NH HIGH TECHNOLOGY COUNCIL	11,500
Robinson, Edward D (Ed)	11,426
PATRIOT INVESTMENT CO	11,422
TOWN OF GREENFIELD NH	11,372
LIFTECH AUTOMOTIVE EQUIP	11,359
HANNAFORD BROTHERS	11,332
TOWN OF TILTON	11,329
EGEARUSA INC	11,130
SPRINGHILL SUITES MARRIOT	11,124
CITY OF BERLIN	11,082
UNITED INFORMATION TECHNOLOGIES	11,060
MOUNTAIN LTD	11,010
ADTRAN INC	10,963
T-MOBILE USA	10,904
AFL TELECOMMUNICATIONS	10,750
CHEM AQUA DIVISION	10,649
BUTLER TELECOM INC	10,626
TREES INC-RUTLAND	10,495
STANLEY ELEVATOR COMPANY INC	10,463
GREENLAND POLICE DEPARTMENT	10,217
BROOKLINE POLICE DEPT	10,102
TOWN OF LEE	10,034
HANNAH GRIMES CENTER INC	10,000
INTOWN MANCHESTER	10,000
PRESCOTT PARK ARTS FESTIVAL	10,000



NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION  
21 S. FRUIT ST., STE 10 CONCORD, NH 03301-2429  
603-271-2431  
www.puc.nh.gov

NHPUC Form H.F.C-3  
Annual Report  
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Rev 12/06/04

## ANNUAL REPORT

This report is due by March 31 of the reported calendar year.

For Calendar Year 2009

### 1. General Information

Federal Identification Number 20-8210335

Legal Name FairPoint Communications, Inc.

Trade Name (d/b/a) Northern New England Telephone Operations LLC d/b/a FairPoint  
in New Hampshire Communications - NNE

Contact Person (Name/Title) Kevin Shea

Mailing Address 900 Elm Street 19<sup>th</sup> Floor  
Manchester, NH 03101

Phone Number 603-641-1667

Fax Number 603-647-0648

E-mail Address Kevin.Shea@fairpoint.com

If you have any questions, please call the New Hampshire Public Utilities Commission at 603-271-2431.  
Please mail any documents to the above address.

Exh. FP-20 0085



NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION  
 21 S. FRUIT ST., STE 10 CONCORD, NH 03301-2429  
 603-271-2431  
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NHPUC Form CLEC-3  
 Annual Report  
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NH Public Utilities Commission Annual Report of Northern New England Telephone Operations, LLC for 200 9

ANNUAL REPORT

OF

Northern New England Telephone Operations LLC d/b/a Fair Point Communications

TO THE  
 STATE OF NEW HAMPSHIRE  
 PUBLIC UTILITIES COMMISSION  
 For the Year Ended December 31, 200

OATH

State of New Hampshire

County of Hillsborough ss.

I  
 We, the undersigned, Teresa R. Rosenberger and \_\_\_\_\_ of the Northern New England

Telephone Operations LLC utility, on our oath do severally say that the annual report filed with the Commission on behalf of said utility on \_\_\_\_\_ (date) has been prepared, under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made.

Teresa R. Rosenberger President  
 \_\_\_\_\_ Treasurer

Subscribed and sworn to before me this  
2ND day of JUNE, 2010

Elizabeth L. Hackett  
 ELIZABETH L. HACKETT

NOTARY PUBLIC - NH  
 COMM EXP 12/18/11



NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION  
 21 S. FRUIT ST., STE 10 CONCORD, NH 03301-2429  
 603-271-2431  
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NH Public Utilities Commission Annual Report of NORTHERN NEW ENGLAND for 200 9  
TELEPHONE OPERATIONS LLC

ANNUAL REPORT

OF

NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC

TO THE  
 STATE OF NEW HAMPSHIRE  
 PUBLIC UTILITIES COMMISSION  
 For the Year Ended December 31, 200

OATH

State of New Hampshire

County of Rockingham ss.

I, the undersigned, THOMAS E. GAFFIN and \_\_\_\_\_ of the NORTHERN NEW

ENGLAND TELEPHONE OPERATIONS LLC utility, on our oath do severally say that the annual report filed with the Commission on behalf of said utility on \_\_\_\_\_ (date) has been prepared, under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made.

\_\_\_\_\_  
 President  
Thomas E. Gaffin  
 Treasurer

Subscribed and sworn to before me this  
22nd day of December

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_