

STATE USE FILING
FINANCIAL TEMPLATE
NON-"S CORP" COMPANIES

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)
Prior Year Balance Sheet

Company Name: (Below)
Ellensburg Telephone Company d/b/a FairPoint Communications

ASSETS	Balance End of Year 2013 (A)	Part 64 Adj to NonReg 2013 (B)	Adj. Balance End of Year 2013 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2013 (A)	Part 64 Adj to NonReg 2013 (B)	Adj. Balance End of Year 2013 (C)
CURRENT ASSETS				CURRENT LIABILITIES			
1. Cash and Equivalents	91,964		91,964	25. Accounts Payable	2,345,493		2,345,493
2. Cash-RUS Construction Fund	0		0	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	9,797		9,797
a. Telecom, Accounts Receivable	1,594,804		1,594,804	28. Customer Deposits	0		0
b. Other Accounts Receivable	0		0	29. Current Mat. L/T Debt	0		0
c. Notes Receivable	0		0	30. Current Mat. L/T Debt Rur. Dev.	0		0
4. Non-Affiliates:				31. Current Mat. - Capital Leases	0		0
a. Telecom, Accounts Receivable	62,605		62,605	32. Income Taxes Accrued	1,087,177		1,087,177
b. Other Accounts Receivable	434,659		434,659	33. Other Taxes Accrued	266,059		266,059
c. Notes Receivable	0		0	34. Other Current Liabilities	0		0
5. Interest and Dividends Receivable	0		0	35. Total Current Liabilities (25 thru 34)	3,708,526	0	3,708,526
6. Material-Regulated	411,695		411,695	LONG-TERM DEBT			
7. Material-Nonregulated	29,863		29,863	36. Funded Debt-RUS Notes	0		0
8. Prepayments	293,135		293,135	37. Funded Debt-RTB Notes	0		0
9. Other Current Assets	31,773		31,773	38. Funded Debt-FFB Notes	0		0
10. Total Current Assets (1 Thru 9)	2,950,498	0	2,950,498	39. Funded Debt-Other	0		0
				40. Funded Debt-Rural Develop. Loan	0		0
NONCURRENT ASSETS				41. Premium (Discount) on L/T Debt	0		0
11. Investment in Affiliated Companies				42. Reacquired Debt	0		0
a. Rural Development	(38,363)		(38,363)	43. Obligations Under Capital Lease	0		0
b. Nonrural Development	0		0	44. Adv. From Affiliated Companies	0		0
12. Other Investments				45. Other Long-Term Debt	0		0
a. Rural Development	0		0	46. Total Long-Term Debt (36 thru 45)	0	0	0
b. Nonrural Development				OTHER LIAB. & DEF. CREDITS			
13. Nonregulated Investments (B1)	6,346,607	291,001	6,637,608	47. Other Deferred Credits (C)	2,302,037	7,075	2,302,037
14. Other Noncurrent Assets				48. Other Jurisdictional Differences	(1,353,037)		(1,345,962)
15. Deferred Charges				49. Other Jurisdictional Differences			
16. Jurisdictional Differences				50. Total Other Liab. & Def. Credits (47 thru 49)	949,000	7,075	956,075
17. Total noncurrent Assets (11 thru 16)	6,308,244	291,001	6,599,245	EQUITY			
PLANT, PROPERTY AND EQUIPMENT				51. Cap. Stock Outstanding & Subscribed	6,851,580		6,851,580
18. Telecom Plant-In-Service	77,967,371	(1,653,632)	76,313,739	52. Additional Paid-in-Capital	11,476,701		11,476,701
19. Property Held for Future Use	0		0	53. Treasury Stock	0		0
20. Plant Under Construction	499,483		499,483	54. Membership and cap. Certificates	0		0
21. Plant Adj., Nonop Plant & Goodwill	0		0	55. Other Capital	0		0
22. Accumulated Depreciation (CR.)	(73,106,673)	1,362,631	(71,744,042)	56. Patronage Capital Credits	0		0
23. Net Plant (18 thru 21 less 22)	5,360,181	(291,001)	5,069,180	57. Retained Earnings or Margins (B2)	(8,366,884)	(7,075)	(8,373,959)
				58. Total Equity (51 thru 57)	9,961,397	(7,075)	9,954,322
24. TOTAL ASSETS (10+17+23)	14,618,923	0	14,618,923	59. TOTAL LIABILITIES AND EQUITY (B5+46+50+58)	14,618,923	0	14,618,923

Footnotes:
(A) - As reported on RUS Form 479
(B) - Part 64 adjustments from regulated to nonregulated.
(B1) - Part 64 offset to nonreg investment
(B2) - Part 64 offset to retained earnings
(C) - Includes deferred taxes

State USF Petition Filing Requirement -WAC 480-123-110(1)(e)
Current Year Balance Sheet

EXHIBIT 4

Company Name: (Below)
Ellensburg Telephone Company d/b/a FairPoint Communications

ASSETS	Balance End of Year 2014 (A)	Part 64 Adj to NonReg 2014 (B)	Adj. Balance End of Year 2014 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2014 (A)	Part 64 Adj to NonReg 2014 (B)	Adj. Balance End of Year 2014 (C)
CURRENT ASSETS				CURRENT LIABILITIES			
1. Cash and Equivalents	61,483		61,483	25. Accounts Payable	2,396,313		2,396,313
2. Cash-RUS Construction Fund	0		0	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	9,797		9,797
a. Telecom, Accounts Receivable	1,851,849		1,851,849	28. Customer Deposits	0		0
b. Other Accounts Receivable	0		0	29. Current Mat. I/T Debt	0		0
c. Notes Receivable	0		0	30. Current Mat. I/T Debt Rur. Dev.	0		0
4. Non-Affiliates:				31. Current Mat. - Capital Leases	0		0
a. Telecom, Accounts Receivable	63,380		63,380	32. Income Taxes Accrued	422,724		422,724
b. Other Accounts Receivable	555,071		555,071	33. Other Taxes Accrued	240,786		240,786
c. Notes Receivable	0		0	34. Other Current Liabilities	0		0
5. Interest and Dividends Receivable	0		0	35. Total Current Liabilities (25 thru 34)	3,069,620	0	3,069,620
6. Material-Regulated	422,420		422,420	LONG-TERM DEBT			
7. Material-Nonregulated	35,580		35,580	36. Funded Debt-RUS Notes	0		0
8. Prepayments	475,697		475,697	37. Funded Debt-RTB Notes	0		0
9. Other Current Assets	26,149		26,149	38. Funded Debt-FFB Notes	0		0
10. Total Current Assets (1 Thru 9)	3,491,629	0	3,491,629	39. Funded Debt-Other	0		0
				40. Funded Debt-Rural Develop. Loan	0		0
NONCURRENT ASSETS				41. Premium (Discount) on I/T Debt	0		0
11. Investment in Affiliated Companies				42. Reacquired Debt	0		0
a. Rural Development	3,129		3,129	43. Obligations Under Capital Lease	0		0
b. Nonrural Development	0		0	44. Adv. From Affiliated Companies	0		0
12. Other Investments				45. Other Long-Term Debt	0		0
a. Rural Development	0		0	46. Total Long-Term Debt (36 thru 45)	0	0	0
b. Nonrural Development	0		0	OTHER LIAB. & DEF. CREDITS			
13. Nonregulated Investments (B1)	6,581,369	269,258	6,850,627	47. Other Long-Term Liabilities	2,346,381	5,786	2,346,381
14. Other Noncurrent Assets	0		0	48. Other Deferred Credits (C)	(1,303,230)		(1,297,444)
15. Deferred Charges	0		0	49. Other Jurisdictional Differences	0		0
16. Jurisdictional Differences	0		0	50. Total Other Liab. & Def. Credits (47 thru 49)	1,043,151	5,786	1,048,937
17. Total noncurrent Assets (11 thru 16)	6,584,498	269,258	6,853,756	EQUITY			
				51. Cap. Stock Outstanding & Subscribed	6,851,580		6,851,580
PLANT, PROPERTY AND EQUIPMENT				52. Additional Paid-in-Capital	11,476,701		11,476,701
18. Telecom Plant-in-Service	78,865,686	(1,797,961)	77,067,725	53. Treasury Stock	0		0
19. Property Held for Future Use	0		0	54. Membership and cap. Certificates	0		0
20. Plant Under Construction	491,926		491,926	55. Other Capital	0		0
21. Plant Adj. Nonop Plant & Goodwill	0		0	56. Patronage Capital Credits	0		0
22. Accumulated Depreciation (CR.)	(73,800,984)	1,528,703	(72,272,281)	57. Retained Earnings or Margins (B2)	(6,808,297)	(5,786)	(6,814,083)
23. Net Plant (18 thru 21 less 22)	5,556,628	(269,258)	5,287,370	58. Total Equity (51 thru 57)	11,519,984	(5,786)	11,514,198
24. TOTAL ASSETS (10+17+23)	15,632,755	0	15,632,755	59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	15,632,755	0	15,632,755

Footnotes:
(A) - As reported on RUS Form 479
(B) - Part 64 adjustments from regulated to nonregulated.
(B1) - Part 64 offset to nonreg investment
(B2) - Part 64 offset to retained earnings
(C) - Includes deferred taxes

State USF Petition Filing Requirement--WAC 480-123-110 (1)(e)
Prior and Current Year Balance Sheet

Company Name: (Below)
Ellensburg Telephone Company d/b/a FairPoint Communications

ASSETS	Adjusted Prior Year Balance 2013	Adjusted Current Year Balance 2014	LIABILITIES AND STOCKHOLDERS' EQUITY	Adjusted Prior Year Balance 2013	Adjusted Current Year Balance 2014
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	91,964	61,483	25. Accounts Payable	2,345,493	2,396,313
2. Cash-RUS Construction Fund	0	0	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	9,797	9,797
a. Telecom, Accounts Receivable	1,594,804	1,851,849	28. Customer Deposits	0	0
b. Other Accounts Receivable	0	0	29. Current Mat. L/T Debt	0	0
c. Notes Receivable	0	0	30. Current Mat. L/T Debt Rur. Dev.	0	0
4. Non-Affiliates:			31. Current Mat. - Capital Leases	0	0
a. Telecom, Accounts Receivable	62,605	63,380	32. Income Taxes Accrued	1,087,177	422,724
b. Other Accounts Receivable	434,659	555,071	33. Other Taxes Accrued	266,059	240,786
c. Notes Receivable	0	0	34. Other Current Liabilities	0	0
5. Interest and Dividends Receivable	0	0	35. Total Current Liabilities (25 - 34)	3,708,526	3,069,620
6. Material-Regulated	411,695	422,420	LONG-TERM DEBT		
7. Material-Nonregulated	29,863	35,580	36. Funded Debt-RUS Notes	0	0
8. Prepayments	293,135	475,697	37. Funded Debt-RTB Notes	0	0
9. Other Current Assets	31,773	26,149	38. Funded Debt-FFB Notes	0	0
10. Total Current Assets (1 Thru 9)	2,950,498	3,491,629	39. Funded Debt-Other	0	0
			40. Funded Debt-Rural Develop. Loan	0	0
NONCURRENT ASSETS			41. Premium (Discount) on L/T Debt	0	0
11. Investment in Affiliated Companies			42. Recquired Debt	0	0
a. Rural Development	(38,363)	3,129	43. Obligations Under Capital Lease	0	0
b. Nonrural Development	0	0	44. Adv. From Affiliated Companies	0	0
12. Other Investments			45. Other Long-Term Debt	0	0
a. Rural Development	0	0	46. Total Long-Term Debt (36-45)	0	0
b. Nonrural Development	0	0	OTHER LIAB. & DEF. CREDITS		
13. Nonregulated Investments	6,637,608	6,850,627	47. Other Long-Term Liabilities	2,302,037	2,346,381
14. Other Noncurrent Assets	0	0	48. Other Deferred Credits	(1,345,962)	(1,297,444)
15. Deferred Charges	0	0	49. Other Jurisdictional Differences	0	0
16. Jurisdictional Differences	0	0	50. Total Other Liab. & Def. Credits (47 thru 49)	956,075	1,048,937
17. Total noncurrent Assets (11 thru 16)	6,599,245	6,853,756	EQUITY		
			51. Cap. Stock Outstanding & Subscribed	6,851,580	6,851,580
PLANT, PROPERTY AND EQUIPMENT			52. Additional Paid-in-Capital	11,476,701	11,476,701
18. Telecom Plant-in-Service	76,313,739	77,067,725	53. Treasury Stock	0	0
19. Property Held for Future Use	0	0	54. Membership and cap. Certificates	0	0
20. Plant Under Construction	499,483	491,926	55. Other Capital	0	0
21. Plant Adj., Nonop Plant & Goodwill	0	0	56. Patronage Capital Credits	0	0
22. Accumulated Depreciation (CR.)	(71,744,042)	(72,272,281)	57. Retained Earnings or Margins	(8,373,959)	(6,814,083)
23. Net Plant (18 thru 21 less 22)	5,069,180	5,287,370	58. Total Equity (51 thru 57)	9,954,322	11,514,198
24. TOTAL ASSETS (10+17+23)	14,618,923	15,632,755	59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	14,618,923	15,632,755

Footnote:
Adjusted Balances represents balances
after Part 64 adjustments

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)
 Prior and Current Year Rate Base

EXHIBIT 4

Company Name: (Below)
 Ellensburg Telephone Company d/b/a FairPoint Communications

Line #	Description	B/S Line #	Adj. Balance End of Year 2013	Adj. Balance End of Year 2014	Average Adj End of Year Balance
Average Rate Base:					
1	Total Regulated Adjusted Telecom Plant-In-service	18	76,313,739	77,067,725	76,690,732
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	(71,744,042)	(72,272,281)	(72,008,162)
4	Total Regulated Materials & Supplies	6	411,695	422,420	417,058
5	Deferred Income Taxes (CR)		1,345,962	1,296,155	1,321,059
6	Total Regulated Rate Base		6,327,354	6,514,019	6,420,687

Footnotes:

1. Normal balance of deferred income taxes and accumulated depreciation is a credit.
2. Adjusted balance includes Part 64 adjustments

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)
 Prior and Current Year Access Lines

EXHIBIT 4

Company Name: (Below)
Ellensburg Telephone Company d/b/a FairPoint Communications

Line #	Description	Prior Year End of Yr. Balance - 2013	Current Year End of Yr. Balance - 2014	Difference	% Change
1	Access Lines: Residential	8,083	6,826	(1,257)	-15.6%
2	Business	4,833	4,669	(164)	-3.4%
3	Total	12,916	11,495	(1,421)	-11.0%

Company Name: (Below)
Ellensburg Telephone Company d/b/a FairPoint Communications

Line #	Description	Prior Year 2013 (A)	Part 64 Adj. to NonReg (B)	Prior Year Adjusted 2013 (C)
1	Local Network Services Revenues	3,551,316		3,551,316
2	Network Access Services Revenues	7,655,930		7,655,930
3	Long Distance Network Services Revenues	0		0
4	Carrier Billing and Collection Revenues	147,170		147,170
5	Miscellaneous Revenues	994,360		994,360
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(21,756)		(21,756)
7	Net Operating Revenues (1 thru 6)	12,327,020	0	12,327,020
8	Plant Specific Operations Expense	4,476,602	(266,200)	4,210,402
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	1,302,813		1,302,813
10	Depreciation Expense	2,207,440	(68,999)	2,138,441
11	Amortization Expense	0		0
12	Customer Operations Expense	1,030,738	(54,145)	976,593
13	Corporate Operations	1,945,301	(219,652)	1,725,649
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ()			
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	1,945,301	(219,652)	1,725,649
14	Total Operations Expenses (8 thru 12 +13b)	10,962,894	(608,996)	10,353,898
15	Operating Income or Margins (7 less 14)	1,364,126	608,996	1,973,122
16	Other Operating Income and Expenses ()	0		0
17	State and Local Taxes	0		0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	544,640	(20,348)	524,292
19	Other Taxes	463,281		463,281
20	Total Operating Taxes (17+18+19)	1,007,921	(20,348)	987,573
21	Net Operating Income or Margins (15+16-20)	356,205	629,344	985,549
22	Interest on Funded Debt	0		0
23	Interest Expense - Capital Leases	0		0
24	Other Interest Expense	0		0
25	Allowance for Funds Used During Construction (CR)	0		0
26	Total Fixed Charges (22+23+24-25)	0	0	0
27	Nonoperating Net Income	(277,612)		(277,612)
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	1,338,797	(629,344)	709,453
31	Total Net Income or Margins (21+27+28+29+30-26)	1,417,390	0	1,417,390
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	(6,345,275)		(6,345,275)
34	Miscellaneous Credits Year-to-Date			0
35	Dividends Declared (Common)	3,439,000		3,439,000
36	Dividends Declared (Preferred)			0
37	Other Debits Year-to-Date			0
38	Transfers to Patronage Capital			0
39	Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2)	(8,366,885)	0	(8,366,885)
40	Patronage Capital Beginning-of-Year			0
41	Transfers to Patronage Capital			0
42	Patronage Capital Credits Retired			0
43	Patronage Capital End-of-Year (40+41-42)	0	0	0
44	Annual Debt Service Payments			0
45	Cash Ratio ((14+20-10-11)/7)	0.7920	#DIV/0!	0.7466
46	Operating Accrual Ratio ((14+20+26)/7)	0.9711	#DIV/0!	0.9200
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!	#DIV/0!
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!	#DIV/0!

(C)

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 8, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 57 of Page 1, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Part 64 offset to nonregulated income (No impact to retained earnings)
- (C) Corp. Op. Adj Exp. Reduction - See Exhibit 7 of Petition which takes () amount * 65% to Line 13a, Column C
 (Reduces total operating expense (L 14) and increases Operating Inc. (L15)

Company Name: (Below)
Ellensburg Telephone Company d/b/a FairPoint Communications

Line #	Description	Current Year 2014 (A)	Part 64 Adj. to NonReg (B)	Current Year Adjusted 2014 (C)
1	Local Network Services Revenues	3,226,324		3,226,324
2	Network Access Services Revenues	7,461,399		7,461,399
3	Long Distance Network Services Revenues	0		0
4	Carrier Billing and Collection Revenues	146,038		146,038
5	Miscellaneous Revenues	706,554		706,554
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(43,947)		(43,947)
7	Net Operating Revenues (1 thru 6)	11,496,368	0	11,496,368
8	Plant Specific Operations Expense	3,796,830	(224,984)	3,571,846
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	1,264,907	0	1,264,907
10	Depreciation Expense	1,592,477	(67,216)	1,525,261
11	Amortization Expense	0	0	0
12	Customer Operations Expense	962,675	(51,772)	910,903
13	Corporate Operations	1,987,360	(244,541)	1,742,819
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ()			
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	1,987,360	(244,541)	1,742,819
14	Total Operations Expenses (8 thru 12 +13b)	9,604,249	(588,513)	9,015,736
15	Operating Income or Margins (7 less 14)	1,892,119	588,513	2,480,632
16	Other Operating Income and Expenses ()	0		0
17	State and Local Taxes	0		0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	408,388	285,501	693,889
19	Other Taxes	339,017	(10,330)	328,687
20	Total Operating Taxes (17+18+19)	747,405	275,171	1,022,576
21	Net Operating Income or Margins (15+16-20)	1,144,714	313,342	1,458,056
22	Interest on Funded Debt	0		0
23	Interest Expense - Capital Leases	0		0
24	Other Interest Expense	0		0
25	Allowance for Funds Used During Construction (CR)	0		0
26	Total Fixed Charges (22+23+24-25)	0	0	0
27	Nonoperating Net Income	(259,091)		(259,091)
28	Extraordinary Items	0		0
29	Jurisdictional Differences	0		0
30	Nonregulated Net Income (B1)	1,388,965	(313,342)	1,075,623
31	Total Net Income or Margins (21+27+28+29+30-26)	2,274,588	0	2,274,588
32	Total Taxes Based on Income	408,388		
33	Retained Earning or Margins Beginning-of-Year	(8,366,884)		(8,366,884)
34	Miscellaneous Credits Year-to-Date	0		0
35	Dividends Declared (Common)	716,000		716,000
36	Dividends Declared (Preferred)	0		0
37	Other Debits Year-to-Date	0		0
38	Transfers to Patronage Capital	0		0
39	Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2)	(6,808,296)	0	(6,808,296)
40	Patronage Capital Beginning-of-Year	0		0
41	Transfers to Patronage Capital	0		0
42	Patronage Capital Credits Retired	0		0
43	Patronage Capital End-of-Year (40+41-42)	0	0	0
44	Annual Debt Service Payments			0
45	Cash Ratio ((14+20-10-11)/7)	0.7619	#DIV/0!	0.7405
46	Operating Accrual Ratio ((14+20+26)/7)	0.9004	#DIV/0!	0.8732
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!	#DIV/0!
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!	#DIV/0!

(C)

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 8, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 57 of Page 2, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Part 64 offset to nonregulated income (No Impact to retained earnings)
- (C) Corp. Op. Adj Exp. Reduction - See Exhibit 7 of Petition which takes
() amount * 65% to Line 13a, Column C
(Reduces total operating expense (L 14) and increases Operating Inc. (L15)

Company Name:
Ellensburg Telephone Company d/b/a FairPoint Communications

Line #	Description	Adjusted Prior Year 2013	Adjusted Current Year 2014
1	Local Network Services Revenues	3,551,316	3,226,324
2	Network Access Services Revenues	7,655,930	7,461,399
3	Long Distance Network Services Revenues	0	0
4	Carrier Billing and Collection Revenues	147,170	146,038
5	Miscellaneous Revenues	994,360	706,554
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(21,756)	(43,947)
7	Net Operating Revenues (1 thru 6)	12,327,020	11,496,368
8	Plant Specific Operations Expense	4,210,402	3,571,846
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	1,302,813	1,264,907
10	Depreciation Expense	2,138,441	1,525,261
11	Amortization Expense	0	0
12	Customer Operations Expense	976,593	910,903
13	Corporate Operations	1,725,649	1,742,819
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ()	0	0
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	1,725,649	1,742,819
14	Total Operations Expenses (8 thru 12 +13b)	10,353,898	9,015,736
15	Operating Income or Margins (7 less 14)	1,973,122	2,480,632
16	Other Operating Income and Expenses ()	0	0
17	State and Local Taxes	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	524,292	693,889
19	Other Taxes	463,281	328,687
20	Total Operating Taxes (17+18+19)	987,573	1,022,576
21	Net Operating Income or Margins (15+16-20)	985,549	1,458,056
22	Interest on Funded Debt	0	0
23	Interest Expense - Capital Leases	0	0
24	Other Interest Expense	0	0
25	Allowance for Funds Used During Construction	0	0
26	Total Fixed Charges (22+23+24-25)	0	0
27	Nonoperating Net Income	(277,612)	(259,091)
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	709,453	1,075,623
31	Total Net Income or Margins (21+27+28+29+30-26)	1,417,390	2,274,588
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	(6,345,275)	(8,366,884)
34	Miscellaneous Credits Year-to-Date	0	0
35	Dividends Declared (Common)	3,439,000	716,000
36	Dividends Declared (Preferred)	0	0
37	Other Debits Year-to-Date	0	0
38	Transfers to Patronage Capital	0	0
39	Retained Earnings or Margins End-of-Period ((31+33+34)-(35+36+37+38))	(8,366,885)	(6,808,296)
40	Patronage Capital Beginning-of-Year	0	0
41	Transfers to Patronage Capital	0	0
42	Patronage Capital Credits Retired	0	0
43	Patronage Capital End-of-Year (40+41-42)	0	0
44	Annual Debt Service Payments	0	0
45	Cash Ratio ((14+20-10-11)/7)	0.7466	0.7405
46	Operating Accrual Ratio ((14+20+26)/7)	0.9200	0.8732
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!

Footnote
 (A1) S Corporation Effective Tax Rate (2 decimal places):
 Note:
 Adjusted Income Statement reflects Part 64 Adjustments (Regulated to Nonregulated).

2013 2014

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)
 Prior and Current Year Access Revenue Detail

EXHIBIT 4

Company Name: (Below)
 Ellensburg Telephone Company d/b/a FairPoint Communications

Line #	Description	Part 32 Account	Prior Year 2013	Current Year 2014
1	End User Revenue (SLC, ARC, etc.)	5081	1,658,769	1,737,136
2	Switched Access (excluding USF)	5082	928,234	672,460
2a	Intrastate		404,815	455,683
2b	Interstate (includes CAF)			
3	Special Access:	5083	450,062	557,902
3a	Intrastate		2,036,932	1,822,393
3b	Interstate		2,177,118	2,215,825
4	Federal USF (IGLS/HCL/SN)	Varies		
5	State USF			
6	Other*			
7	Total (must equal line 2 of Income Stmt.)		7,655,930	7,461,399
8	Line 2 of Income Stmt.		7,655,930	7,461,399
9	Difference		0	0

Footnote:

* - if > than 5% of Access revenue total, provide description below.

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)
 Out-of-Period Adjustments

EXHIBIT 4

Description of Out-of-Period - 2014 (As Recorded)	Part 32 Account	
	Debit	Credit
Adjustment #1: NECA Prior Period Settlements (needs to reduce revenue)		96144
Adjustment #2:		
Adjustment #3:		
Adjustment #4		

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)
 Rate of Return and Consolidated Return on Equity

EXHIBIT 4

Company Name: (Below)
Ellensburg Telephone Company d/b/a FairPoint Communications

Line #	Description	2014
1	Rate Base (Jan. 1)	6,327,354
2	Rate Base (Dec 31)	6,514,019
3	Average Rate Base	6,420,687
4	Net Operating Income	1,458,056
5	Out-of-Period Adjustments Net of FIT (A)	(62,494)
6	Adjusted Net Operating Income	1,395,562
7	Earned Regulated Rate of Return	21.74%
8	Consolidated Equity (Jan 1)	(309,196,000)
9	Consolidated Equity (Dec 31)	(600,284,000)
10	Average Equity	(454,740,000)
11	Consolidated Net Income	(136,319,000)
12	Out-of-Period Adjustments Net of FIT (B)	0
13	Adjusted Consolidated Net Income	(136,319,000)
14	Earned Return on Equity	29.98%

Footnote:

(A) Source: Line 31 from Out-of-Period Adjustment work sheet