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ANNUAL REPORT

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IDAHO PUBLIC
UTILITIES COMMISSION

OF

Fremont Telecom, Inc.

NAME

110 East Main Street, St. Anthony, ID 83445

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2009

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 2009**

COMPANY INFORMATION

Exact name of utility: Fremont Telcom

Address of principal office: 110 East Main Street, Saint Anthony, ID 83445-1543

Telephone Number Area Code (208) 624-7300 E-mail address: jmanterola@fairpoint.com

Cities or towns served: Saint Anthony, Ashton, Teton, and Island Park, ID

Name and title of officer having custody of the general corporate books of account: _____

Lisa Hood

Address of office where corporate books are kept and phone number: _____

908 W. Frontview, Dodge City, KS 67801-0199 (620) 227-4400

Organized under the laws of the State of: Idaho

Date of organization: March 9, 1994

Form of organization (proprietorship, association, corporation): Corporation

If a Subchapter S Corporation, please specify: _____

Name and address of controlling company, if any: FairPoint Communications, 521 East Morehead,
Charlotte, NC 28202

Names of affiliated companies. Give address and description of business: None

OFFICERS

Report below the title, name and office address of each general officer of the utility at the end of the year. If there were any changes during the year, show the name, title, and address of the previous officer and the date of change.

Title	Name	Address
Chairman and CEO <u>Began 7/1/09</u>	<u>David L. Hauser</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
Chairman and CEO	<u>Eugene B. Johnson</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
President	<u>Peter G. Nixon</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
Senior VP & General Counsel	<u>Shirley J. Linn</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
Exec VP Northern New England Oper	<u>Jeffrey Allen</u>	<u>1 Davis Farm Rd; Portland, ME 04103</u>
Senior VP & Corporate Controller	<u>Lisa R. Hood</u>	<u>908 W. Frontview; PO Box 199 Dodge City, KS 67801</u>
Exec VP/CFO	<u>Alfred C. Giammarino</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
SR VP Governmental Affairs	<u>Patrick L. Morse</u>	<u>908 W. Frontview; PO Box 199 Dodge City, KS 67801</u>
Sr VP, Human Resources	<u>Gary C. Garvey</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
VP, Internal Audit	<u>David M. Remele</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
VP & Treasurer	<u>Thomas E. Griffin</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
VP, Asst Secretary & Asst Gen Counsel	<u>Susan L. Sowell</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>
VP, Corporate Communications	<u>Rose B. Cummings</u>	<u>521 E. Morehead; Suite 250 Charlotte, NC 28202</u>

DIRECTORS

List the name of each person who was a member of the Board of Directors at any given time during the year: (Fees related to meetings only.)

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Eugene B. Johnson			
David L Hauser			
Patricia Garrison-Corbin			
Claude C Lilly			
Jane E. Newman			
Robert S Lilian			
Thomas F Gilbane Jr			
Dr. Robert A Kennedy			
Michael R Tuttle			

Name of Chairman of the Board: Eugene B. Johnson/David L. Hauser new 7/1/09
 Name of Secretary (or Clerk) of Board: Shirley Linn
 Number of Meetings of the Board during the year: 4

MANAGERS

List the name of each person who performed management duties for the Company during the year, and the total wages and bonuses paid to those persons: (Do not include Director fees in these amounts.)

Name	Title	Wages and Bonuses Paid
N/A		

BALANCE SHEET
Assets and Other Debits

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents	27,313	20,353	(6,960)
1130 Cash			
1140 Special Cash Deposits			
1150 Working Cash Advances	700	700	-
1160 Temporary Investments			
1180 Telecommunications Accts. Receivable	58,378	32,824	(25,554)
1181 Accts. Rec. Allow. -Telecommunications	(21,130)	(12,103)	9,027
1190 Other Accounts Receivable	2,279,095	2,345,597	66,502
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	140,193	148,194	8,001
1280 Prepayments			
1290 Prepaid Rents	109,465	95,033	(14,432)
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets	14,262	10,325	(3,937)
Noncurrent Assets			
1401 Investment in Affiliated Companies	112,360	112,360	-
1402 Investment in Nonaffiliated Companies	1,943,957	2,296,221	352,264
1406 Nonregulated Investments	34,292	-	(34,292)
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets			
1438 Deferred Maintenance & Retirements	487,821	487,821	-
1439 Deferred Charges			-
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	30,757,697	31,200,120	442,423
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	600,682	446,093	(154,589)
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant	-	-	-
2007 Goodwill	3,998,088	3,998,088	-
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	(27,233,419)	(28,859,487)	(1,626,068)
3200 Accum. Depre. - Held for Future Use			
3300 Accumulated Depreciation - Nonoperating	1,239,065	2,723,437	1,484,372
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements			
3500 Accumulated Amortization - Intangible			
3600 Accumulated Amortization - Other			
TOTAL ASSETS	14,548,818	15,045,576	496,758

BALANCE SHEET
Liabilities & Stockholders' Equity

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	2,545,674	1,416,148	(1,129,526)
4020 Notes Payable	-	-	-
4030 Advance Billings and Payments	-	-	-
4040 Customer Deposits	17,441	-	(17,441)
4050 Current Maturities - Long -Term Debt	-	-	-
4060 Current Maturities - Capital leases	-	-	-
4070 Income Taxes - Accrued	(1,836)	95,835	97,671
4080 Other Taxes - Accrued	14,879	-	(14,879)
4100 Net Current Defer. Oper. Income Taxes	-	-	-
4110 Net Current Defer. Nonoper. Income Taxes	-	-	-
4120 Other Accrued Liabilities	50,138	7,674	(42,464)
4130 Other Current Liabilities	-	-	-
Long-Term Debt			
4210 Funded Debt	-	-	-
4220 Premium on Long-Term Debt	-	-	-
4230 Discount on Long-Term Debt	-	-	-
4240 Reacquired Debt	-	-	-
4250 Obligations Under Capital Leases	-	-	-
4260 Advances from Affiliated Companies	-	-	-
4270 Other Long-Term Debt	-	-	-
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities	442,390	760,236	317,846
4320 Unamort. Oper. Invest. Tax Credits - Net	-	-	-
4330 Unamort. Nonoper. Invest. Tax Credits - Net	-	-	-
4340 Net Noncurrent Defer. Oper. Income Taxes	-	(1,515,342)	(1,515,342)
4350 Net Noncur. Defer. Nonoper. Income Taxes	804,955	2,982,550	2,177,595
4360 Other Deferred Credits	-	-	-
4370 Other Juris. Liab. & Def. Credits - Net	-	-	-
Stockholders' Equity			
4510 Capital Stock	6,120	6,120	-
4520 Additional Paid-In Capital	16,275,508	16,275,508	-
4530 Treasury Stock	-	-	-
4540 Other Capital	-	-	-
4550 Retained Earnings	(5,606,451)	(4,983,153)	623,298
TOTAL LIAB. & OTHER CREDITS	14,548,818	15,045,576	496,758

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
2111 Land	39,421				39,421
2112 Motor Vehicles	287,704				287,704
2113 Aircraft	-				-
2114 Special Purpose Vehicles	-				-
2115 Garage Work Equipment	161,335	5,952			167,287
2116 Other Work Equipment	748,321	10,713			759,034
2121 Buildings	-				-
2122 Furniture	4,776				4,776
2123 Office Equipment	244,228	6,514			250,742
2124 General Purpose Computers	3,800				3,800
2124 Computer Software	-				-
2211 Analog Electronic Switching	1,949,753	9,142	(20,082)		1,938,813
2212 Digital Electronic Switching	1,458,807				1,458,807
2212 Digital Switching Software	-				-
2220 Operator Systems	350,501				350,501
2231 Radio Systems	7,959,404	153,379			8,112,783
2232 Circuit Equipment	-				-
2311 Station Apparatus	-				-
2321 Customer Premises Wiring	-				-
2341 Large Private Branch Exchanges	-				-
2351 Public Telephone Terminal Equipment	-				-
2362 Other Terminal Equipment	-				-
2411 Poles	137,823				137,823
2421 Aerial Cable	348,933	25,945	(41,383)		333,495
2422 Underground Cable	2,489,044	10,302			2,499,346
2423 Buried Cable	14,216,870	272,914	(1,005)		14,488,779
2424 Submarine Cable	-				-
2426 Intrabuilding Network Cable	-				-
2431 Aerial Wire	3,000	(430)			2,570
2441 Conduit Systems	353,978	10,462			364,439
2681 Capital Leases	-				-
2682 Leasehold Improvements	-				-
2690 Intangibles	-				-
TOTAL PLANT ACCOUNTS	30,757,697	504,893	(62,470)	-	31,200,120

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
2111 Land	Same as Total Company				
2112 Motor Vehicles					
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
TOTAL PLANT ACCOUNTS					

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	TOTAL Company Basis			Credits During Year	Retirements and Adjustments	Balance End of Year
	Balance Beginning of Year	Depreciation Rate*				
Analysis of Entries in Accumulated Depreciation						
2112 Motor Vehicles	256,685	33.36	31,019	-	287,704	
2113 Aircraft						
2114 Special Purpose Vehicles						
2115 Garage Work Equipment	132,268	20	32,527	-	164,795	
2116 Other Work Equipment	602,811	5	37,818		640,629	
2121 Buildings						
2122 Furniture	4,776	20	-		4,776	
2123 Office Equipment	237,369	33.36	13,373	-	250,742	
2124 General Purpose Computers			760		760	
2124 Computer Software						
2211 Analog Electronic Switching	2,769,407	12	233,861	(20,081)	2,983,187	
2212 Digital Electronic Switching						
2215 Electro-Mechanical Switching						
2220 Operator Systems	350,501	12.48	-		350,501	
2231 Radio Systems	7,414,460	10.56	233,010	-	7,647,470	
2232 Circuit Equipment						
2311 Station Apparatus						
2321 Customer Premises Wiring						
2341 Large Private Branch Exchanges						
2351 Public Telephone Terminal Equipment						
2362 Other Terminal Equipment						
2411 Poles	137,823	12.48	-		137,823	
2421 Aerial Cable	338,908	8.64	23,725	(41,384)	321,249	
2421 Aerial Fiber	6,366	6	602		6,968	
2422 Underground Cable	161,109	9.96	24,051		185,160	
2422 Underground Fiber	1,183,199	6	134,925		1,318,124	
2423 Buried Cable	12,893,075	6.48	860,173	(1,551)	13,751,697	
2423 Buried Fiber	486,261	6.72	43,423		529,684	
2423 Buried Cable - Line Extensions						
2431 Aerial Wire	3,000	10	-		3,000	
2441 Conduit Systems	255,401	5.52	19,818		275,219	
TOTAL	27,233,419		1,689,084	(63,016)	28,859,487	

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles	Same as Total Company				
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
TOTAL					

*Please list individual depreciation rate for each account.

INVESTMENTS

Report below the investments in Accounts 1401, 1402 and 1406. Identify each investment as to the account in which included. Minor amounts in Account 1406 may be grouped by classes.

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
Internet, Lease, Payphone Eq	1997-2008		-
Fall River Electric Dividends	Mar-00		-
Syringa Network	2001-2002		2,296,221
Fremont Broadband	2004		112,360
Totals			2,408,581

RECEIVABLES

Itemize amounts show in Accounts 1180, 1190 and 1200. For notes receivable list each note separately and include the maturity date and interest rate. Minor amounts in Account 1210 may be combined.

<u>Name of Company</u>	<u>Amount at End of Year</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
Customers		32,824
CABS		119,149
NECA/USAC		896,117
State USF		10,325
Related Party		1,314,192
Miscellaneous		5,814
Totals		2,378,421

NOTES PAYABLE

For Notes Payable, list each note separately and include the maturity date and interest rate.

<u>Name of Creditor</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Face Amount</u>
Totals				

ACCOUNTS PAYABLE

Report below all Accounts Payable amounting to more than \$100.00

<u>Name of Creditor</u>	<u>Amount</u>
A/P Trade	13,015
NECA	32,479
Related Party	1,370,654
Totals	1,416,148

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	6,764,665	Same as
Total Operating Expenses (from page 18)	6,090,159	Total Company
7100 Other Operating Income and Expense		
7210 Operating Investment Tax Credits-Net		
7220 Operating Federal Income Taxes	385,358	
7230 Operating State and Local Income Taxes	95,741	
7240 Operating Other Taxes	25,964	
7250 Provision for Deferred Operating Income Taxes-Net	(695,047)	
7200 Operating Taxes (Total)	(187,984)	
7310 Dividend Income		
7320 Interest Income	-	
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction		
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	-	
7370 Special Charges		
7300 Nonoperating Income and Expense	-	
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes	193,498	
7430 Nonoperating State and Local Income Taxes	48,074	
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net	1,361,237	
7400 Nonoperating Taxes	1,602,809	
7510 Interest on Funded Debt		
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	1,878	
7500 Interest and Related Items	1,878	
7610 Extraordinary Income Credits		
7620 Extraordinary Income Charges		
7630 Current Income Tax Effect of Extraordinary Items-Net		
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net		
7600 Extraordinary Items		
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income (includes GAAP adj)	2,807,495	
AMOUNT TRANSFERRED TO RETAINED EARNINGS	2,065,298	

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	1,559,629	Same as Total Company
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue	104,297	
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue	56,337	
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	295,750	
5069 Other Local Exchange Settlements	1,421,700	
Network Access Services Revenues		
5081 End User Revenue (SLC)	455,181	
5082 Switched Access Revenue (Interstate)	1,861,112	
5083 Special Access Revenue	529,016	
5084 State Access Revenue (Intrastate)	428,663	
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All		
Miscellaneous Revenues		
5230 Directory Revenue	22,583	
5240 Rent Revenue	4,800	
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	(460)	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	40,324	
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications		
5302 Uncollectible Revenue - Other	(14,267)	
TOTAL OPERATING REVENUES	6,764,665	

Please identify the following revenues:

NECA USF \$ 1,421,700	To what account were they booked?	5069
State USF \$ 134,219	To what account were they booked?	5084

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses	-	<u>Same as Total Company</u>
6112 Motor Vehicle Expense	-	_____
6113 Aircraft Expense	-	_____
6114 Special Purpose Vehicles Expense	-	_____
6115 Garage Work Equipment Expense	-	_____
6116 Other Work Equipment Expense	-	_____
6120 General Support Expenses	-	_____
6121 Land and Building Expenses	122,896	_____
6122 Furniture and Artworks Expense	-	_____
6123 Office Equipment Expense	22,739	_____
6124 General Purpose Computers Expense	443,478	_____
6210 Central Office Switching Expenses	-	_____
6211 Analog Electronic Expense	-	_____
6212 Digital Electronic Expense	138,591	_____
6215 Electro-Mechanical Expense	-	_____
6220 Operators System Expense	-	_____
6230 Central Office Transmission Expenses	-	_____
6231 Radio Systems Expense	-	_____
6232 Circuit Equipment Expense	199,722	_____
6310 Information Origination/Termination Expense	-	_____
6311 Station Apparatus Expense	-	_____
6341 Large Private Branch Exchange Expense	-	_____
6351 Public Telephone Terminal Equipment Expense	-	_____
6362 Other Terminal Equipment Expense	-	_____
6410 Cable and Wire Facilities Expenses	-	_____
6411 Pole Expense	6,514	_____
6421 Aerial Cable Expense	1,390	_____
6422 Underground Cable Expense	279	_____
6423 Buried Cable Expense	1,399,347	_____
6424 Submarine Cable Expense	-	_____
6425 Deep Sea Cable Expense	-	_____
6426 Intrabuilding Network Cable Expense	-	_____
6431 Aerial Wire Expense	660	_____
6441 Conduit Systems Expense	-	_____
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	2,335,616	_____

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		Same as Total Company
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense	7,625	
6530 Network Operations Expense		
6531 Power Expense	60,834	
6532 Network Administration Expense	3,549	
6533 Testing Expense	110,270	
6534 Plant Operations Administration Expense	200,037	
6535 Engineering Expense	36,481	
6540 Access Expense	114,004	
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,689,084	
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	2,221,884	
Customer Operations Expense		
6610 Marketing		
6611 Product Management	15,486	
6612 Sales	13,879	
6613 Product Advertising	29,590	
6620 Services		
6621 Call Completion Services	556	
6622 Number Services	1,033	
6623 Customer Services	283,844	
Total Customer Operations Expense	344,388	
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	229,030	
6712 Planning	14,849	
6720 General and Administrative		
6721 Accounting and Finance	728,461	
6722 External Relations	128,305	
6723 Human Resources	12,551	
6724 Information Management	3,101	
6725 Legal	34,374	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	37,600	
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1,188,271	
TOTAL OPERATING EXPENSES	6,090,159	

CENTRAL OFFICE DATA
as of December 31, 2009 (unless otherwise indicated)

Name of Central Office: Saint Anthony, ID
 Prefix (es): (208) 624, 458, 558, 652
 Central Office Switch Type: Nortel DMS 500

Check all that apply:
 Stand Alone **Check one:**
 Host X Digital X Electronic
 Remote Analog Electro-Mechanical
 Other:

Access Line Capacity
 Design: Nortel DMS 500 **Access Lines in Use** 4218
 Installed/Equipped: 2794/3780
 Public Telephone Lines 31
 Company Official Lines 85
 Company Test Lines 17

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party	Multi- Party	
Beginning of Year		3609	3609	37	531	10	4570
New Connects							
Disconnects							
End of Year	0	3226	3226	25	530	0	4218

Foreign Exchange:

Dial Tone from this C.O.:
 Dial Tone from another C.O.:
 Directory Listings: 1065
 Number of Customers with Nonpublished or Nonlis 1065

Custom Calling:

Number of customers with at least one feature: 2158
 Total number of features subscribed to: 40

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year)_2009_.

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1 Teton - 458	481	Not Available		7996	18180	26176	54.42
2 Island Park - 558	945	Not Available		25552	95346	120898	127.93
3 Saint Anthony - 624	1811	Not Available		47640	85624	133264	73.59
4 Ashton - 652	971	Not Available		28967	61234	90201	92.89
5 _____	_____	_____	_____	_____	_____	_____	_____
6 _____	_____	_____	_____	_____	_____	_____	_____
7 _____	_____	_____	_____	_____	_____	_____	_____
8 _____	_____	_____	_____	_____	_____	_____	_____
9 _____	_____	_____	_____	_____	_____	_____	_____
10 _____	_____	_____	_____	_____	_____	_____	_____
11 _____	_____	_____	_____	_____	_____	_____	_____
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18 _____	_____	_____	_____	_____	_____	_____	_____

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, _2009_.

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes ___ No X

Included in directory Yes X No ___

Date of notification _____ October, 2009 __ Hanson Directory _____

Alternate method of notification _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 3

Category of complaints (if known):

Deposit Disputes

Charges on Bill

Denial/Termination

Quality or Availability 2
of Service

Carrier Selection/Assignment

Miscellaneous 1

Rev 3/02

General Information Continued

Complaints and Disputes

Our Customer Service department is specially trained to solve your telephone problems. However, if you are not satisfied, please ask for a supervisor. If at that time you feel we have not satisfactorily resolved your problem, you may contact the Idaho Public Utilities Commission for a further review at 208-334-0300. Service will not be turned off during any part of this complaint procedure IF ALL UNDISPUTED BILLS ARE PAID.

Rules For Termination of Telephone Service
FairPoint Communications must follow stringent guidelines before terminating basic local telephone service. Basic local service cannot be terminated for failure to pay long distance charges owed to other companies, which may appear on FairPoint Communications monthly bill, if measures to prevent access to the other companies' services are available. Whether such measures are available depends upon the type of FairPoint Communications equipment serving the customer.

Basic local telephone service cannot be terminated if you let us know that you dispute any charges on your telephone bill until the dispute is resolved, but you must continue to pay the undisputed parts of the bill.

Telephone services can be disconnected with proper notification for one of the following reasons:

- Not paying undisputed delinquent charges or paying a delinquent bill with a check not honored by the bank.
- Failure to make a security deposit or failure to provide a deposit guarantee.
- Misrepresentation of identity to receive service.
- Failure to abide by the terms of a payment arrangement.
- Intentional, willful or interfering with service through improper equipment or otherwise.
- Failure to apply for service with the telephone company.

Proper Notification

Service cannot be disconnected without first notifying you in writing at least seven (7) days in advance. We must diligently try to notify you in person or by telephone 24 hours before disconnecting service. Only 24 hour notice will be given if you pay a bill with an insufficient funds check in order to avoid termination, or as the initial payment of a payment according to a payment arrangement.

Restrictions on Termination

- Your telephone service cannot be disconnected if:
- A past due balance is less than \$50.00 or for two (2) months service, whichever is smaller.
 - You are being charged for another customer's bill (unless you have a legal obligation to pay the other customer's bill or you are being charged for any other class of service).

You fail to pay for purchases of services such as the following:

- Directory advertising.
- Services not provided by FairPoint Communications even though they may be billed with FairPoint Communications (e.g., 900 charges, operator charges from another company).
- Equipment payments.
- Inside wire maintenance.
- Written guarantee for another customer.
- Long distance charges by other companies, if we can block access to the other companies' services.

Your telephone service can be disconnected between the hours of 8:00 a.m. and 4:00 p.m., Monday through Thursday, and before noon on Fridays, weekends, legally recognized Idaho holidays, or after noon any day before a legally recognized Idaho holiday.

Termination Without Notification

FairPoint Communications can terminate service without notification only under the five following conditions:

- A dangerous or hazardous condition exists.
- Service was obtained without authorization or knowledge of the telephone company.
- By order of any court, the Public Utilities Commission, or any other authorized public authority.
- If we have diligently tried to notify you but have been unsuccessful in our attempts to contact you.
- You have misrepresented your identity, have inadequate security with the company, and have an outstanding bill exceeding \$100.00.

Rates, Rules and Regulations

Telephone companies are considered a public utility and are regulated by the Idaho Public Utilities Commission. Your local telephone company's rates, rules and regulations applicable to its services are regulated and are available for inspection at our business office. Copies of these regulations can be obtained by contacting the business office. If you have a problem with telephone service or billing, please contact FairPoint Communications at 800-400-5565. If you are not satisfied with the explanation that is provided, you may make an informal or formal complaint with the Idaho Public Utilities Commission for further review. To contact the PUC for inquiries, complaints, investigation and mediation:

Idaho Public Utilities Commission
PO Box 83720, Boise, ID 83720-0074
208-334-0300

Pay Phone Use for Emergency

It is unlawful under penalty of fine or imprisonment for any person willfully to refuse to immediately yield or surrender use of a public pay telephone to another person for the purpose of permitting such other person to report a fire or summon police, medical or other aid in case of emergency. Likewise, it is unlawful for any person to ask for, or request the use of a public pay telephone on pretext that an emergency exists. The law defines an "emergency" as a situation in which property or human life is in jeopardy and the prompt summoning of aid is essential.

Guarding Against Fraud

For your protection, new equipment and procedures enable the telephone company to detect and investigate fraudulent calls.

Telephone Fraud

Whoever, by means of telephone, (1) makes any comment, request, suggestion or proposal which is obscene, lewd, lascivious, filthy or indecent, (2) makes a telephone call, whether or not conversation ensues, without disclosing his/her identity and with intent to annoy, threaten or harass any person at the called number, or whoever knowingly permits any telephone under his/her control to be used for any purpose prohibited by this section, shall be guilty of a misdemeanor. The offense may be prosecuted either at the place the call is made or where it is received.

Long Distance Fraud

Whoever obtains long distance telephone service by intentionally requesting of the operator that the cost thereof be charged to a false calling card number or to the calling card number of another without his authority may be sentenced to imprisonment for not more than 90 days or to a payment of a fine of not more than \$300.00, or both, when the value of the telephone service obtained is not more than \$100.00; and to imprisonment for not more than 5 years or to payment of a fine of not more than \$5,000, or both, if the value of the telephone service obtained in a single transaction, or in separate transactions within any six month period, is more than \$100.00.

General Information Continued

Directory Accuracy

FairPoint Communications assumes no liability whatsoever for damages arising from errors or omissions in the preparation or printing of this directory. However, the utmost care is used in listing all customers correctly. The primary purpose of this directory is to furnish a means of obtaining telephone numbers of subscribers in this area. Addresses are included in the listing to assist in identifying subscribers. It is not intended that this directory be used as a mailing guide. Not all addresses given are correct for mailing purposes.

Every subscriber may be listed once in the alphabetical section of the directory without charge. Additional listings are available at an additional charge.

How To Handle Annoyance Calls

It is against the law to make an obscene telephone call. If you receive such a call, follow these suggestions:

- (1) When answering your telephone, say hello twice. If no answer, HANG UP.
- (2) Do not give information until you are absolutely certain you know who you are speaking to.
- (3) Instruct children not to give any information to strangers over the phone.
- (4) Hang up when you hear something off-color or obscene.
- (5) Never reveal that you are alone.
- (6) Calls of a threatening nature should be reported to the local law enforcement agency immediately.
- (7) Use Call Trace #57.

National Do-Not-Call List

The Federal Communications Commission (FCC) and the Federal Trade Commission (FTC) are now sharing responsibility for enforcing the National Do-Not-Call list. Consumers who have not already registered for the list may do so at www.donotcall.gov or by calling 888-382-1222 (TTY 866-290-4236).

If you are called by telemarketers, you can do the following:

- If you have registered your telephone number on the National Do-Not-Call list, tell the telemarketer that you are on the list. Make note of the time and date of the call, and the identity of the telemarketer for your records. You will need this information if you elect to file a complaint; OR
- If you are not registered on the National Do-Not-Call list, you can still instruct the telemarketer to place you on its company-specified do-not-call list if you do not want to receive further calls from that company. For your own reference, make a note of the date and time you asked to be put on the company-specific list. Having this information may be helpful if you get called again by the same company and wish to file a complaint with the FCC; OR
- Explore whether your state has its own do-not-call list. Contact your State Attorney General or State office that administers the list for more information.

The FCC and FTC will both accept complaints and share information, so consumers may file complaints with either agency. In addition to complaints alleging violations of the National Do-Not-Call list, you may also file a complaint against a telemarketer who is calling for commercial purpose (e.g., not charitable organizations) if:

- The telemarketer calls before 8AM or after 9PM; OR
- The telemarketer leaves a message, but fails to leave a phone number that you can call to sign up for their company-specific do-not-call list; OR
- You receive a telemarketing call from an organization whom you have previously requested not call you; OR
- The telemarketing firm fails to identify itself; OR
- You receive a pre-recorded commercial message from someone with whom you do not have an established business relationship and to whom you haven't given permission to call you.

Idaho Telephone Solicitation Act

Important Notice Concerning Purchase of Goods And Services By Telephone

You have important rights under the Idaho Telephone Solicitation Act. Under the Act it is illegal for persons attempting to sell you goods or services by telephone (telephone solicitors):

- To intimidate or harass you in connection with the attempted sale.
- To refuse to hang up and free your telephone line immediately once you request them to do so.
- To mis-state the price, quality, or availability of goods or services, or to fail to reveal all material terms relating to the sale of goods or services.
- To advertise, represent or imply that they have the endorsement of any government office or agency when they do not.
- To advertise, represent or imply that they have a valid registration number with the Attorney General when they do not.
- To use any unfair method of competition or unfair or deceptive practice.

Any person not yet 18 years old who purchases goods or services pursuant to a telephone solicitation may cancel the purchase within a reasonable time after the purchase is made.

No parent or legal guardian having custody of a person not yet 18 years old is liable for the purchase of the goods or services by a person not yet 18 years old pursuant to telephone solicitation.

When you agree to purchase goods or services over the telephone, you may have a right to reconsider and cancel your agreement for three business days after receiving a written confirmation of the sale.

A person whose rights are violated by telephone solicitors may have the right to declare a contract for purchase null and void or invoke other remedies under the Idaho Consumer Protection Act.

If you believe that a telephone solicitor has done any unlawful acts, you may contact the Attorney General's office for assistance and information at:

1-800-432-3545 (toll free) or
334-2424 (Boise area)

CERTIFICATE

State of Kansas)
) ss
County of Ford)

I WE, the undersigned Angela Unruh

and _____

of the Fremont Telcom _____ utility,

on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered by the return in respect to each and every matter and thing therein set forth, to the best of our knowledge, information and belief.

Angela Unruh
(Chief Officer)

Regional Controller
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 29 day of March, (Year) 2009/10.

Betty J. Young
Bettye J. Young
Notary Public

My Commission expires November 16, (Year) 2010.

Rev 3/02

gdk/excel/jnelson/anulrpts/telannualrpt

