

DOCKET NO. UM 1726

**Cover Sheet for Submission of
2015 Annual ETC Certification Reports**

Name of Eligible Telecommunications Carrier: Cascade Utilities, Inc.

Filing date: 7/1/15

Is this: Original submission?
OR
Revised submission?

Person to contact for questions:

Name Summer McPherson

Phone number 503-630-8977

E-mail address mcpersons@cuaccess.net

Documents included in this filing (please check applicable items):

CAF/ICC Support (47 CFR § 54.304)

Rate Floor Data (47 CFR § 54.313(h))

Form 481 (High-cost per 47 CFR § 54.313, Low-income per 54.422)¹

Form 690 (Mobility Fund per 47 CFR § 54.1009)

Affidavit for High-Cost Support

Filing deadlines: The deadlines for filing items required by 47 CFR § 54 are the same as the deadlines for filing with the FCC. The notarized affidavit for high-cost support must be filed no later than the due date for the FCC Form 481. Based on current information, it appears that all items other than CAF/ICC support data are due by July 1, 2015. The CAF/ICC support data are due the same day as the ETC's interstate access tariff filing.

If revisions to an original submission are filed with the FCC or USAC, a copy of the revisions must be filed with the Oregon Commission no later than five business days following submission to the FCC or USAC.

¹ Lifeline-only ETCs must provide all information specified in 47 CFR § 54.422(b) even if the ETC does not submit this information to the FCC.



CASCADE UTILITIES, INC.

PO Box 189 Estacada, Oregon. 97023
Fax (503) 630-8934
Phone (503) 630-4202

Date July 1, 2015

Electronic Filing

Ms. Marlene H. Dortch
Office of Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: WC Docket No. 14-58
Annual §54.313/54.422 Report of High-Cost and Low Income Recipient, Form 481

Dear Ms. Dortch:

Enclosed herein is the annual report for **Cascade Utilities, Inc.**, Study Area Code **532371** pursuant to §54.313/54.422 of the Commission's rules.

“CONFIDENTIAL FINANCIAL INFORMATION-SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, 14-58, CC DOCKETS NOS. 01-92, 96-45, GN DOCKET NO.09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.”

Please contact me with any questions at:

Phone: 503-630-8977
Email: mcpersons@cuaccess.net

Sincerely,
Summer McPherson, Revenue Lead

Enclosure Copies to:

Charles Tyler
Telecommunications Commissions
445 12th Street, S.W. Room 5-A452
Washington, D.C. 20554

Universal Service Administrative Company
Electronic Filing
Washington, DC 20036

Public Utility Commission
Electronic Filing Confidential & Redacted

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	532371
<015> Study Area Name	CASCADE UTIL INC
<020> Program Year	2016
<030> Contact Name: Person USAC should contact with questions about this data	Summer McPherson
<035> Contact Telephone Number: Number of the person identified in data line <030>	5036308977 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	mcpersons@cuaccess.net

ANNUAL REPORTING FOR ALL CARRIERS	54.313	54.422
	Completion Required	Completion Required

			(check box when complete)	
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<410> Fixed	<input type="text" value="0.0015175"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<420> Mobile	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<440> Fixed	<input type="text" value="0.0030349"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<450> Mobile	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<510> <div style="border: 1px solid black; padding: 2px;">532371or510.pdf</div>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<610> <div style="border: 1px solid black; padding: 2px;">532371or610.pdf</div>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<900> Tribal Land Offerings (Y/N)?	<input type="radio"/> <input checked="" type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability Certification	Not Applicable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1010> <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1100> Certify whether terrestrial backhaul options exist (Yes or No)	<input checked="" type="radio"/> <input type="radio"/> (if not, check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

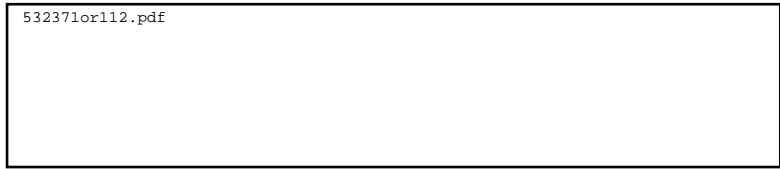
(100) Service Quality Improvement Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	532371
<015> Study Area Name	CASCADE UTIL INC
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035> Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	mcphersons@cuaccess.net

<110> Has your company received its ETC certification from the FCC? If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no)	<input type="radio"/>	<input checked="" type="radio"/>
<111> year plan" filed with the FCC?	(yes / no)	<input type="radio"/>	<input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.



Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets		Yes
<114> Report how much universal service (USF) support was received		Yes
<115> How much (USF) was used to improve service quality and how support was used to improve service quality		Yes
<116> How much (USF) was used to improve service coverage and how support was used to improve service coverage		Yes
<117> How much (USF) was used to improve service capacity and how support was used to improve service capacity		Yes
<118> Provide an explanation of network improvement targets not met in the prior calendar year.		Not Applicable

Yes
Yes
Yes
Yes
Yes
Not Applicable

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	532371
<015>	Study Area Name	CASCADE UTIL INC
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035>	Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

 FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010>	Study Area Code	532371
<015>	Study Area Name	CASCADE UTIL INC
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035>	Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

(1200) Terms and Condition for Lifeline Customers Lifeline Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
--	--

<010>	Study Area Code	532371
<015>	Study Area Name	CASCADE UTIL INC
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035>	Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

<1210> Terms & Conditions of Voice Telephony Lifeline Plans	532371or1210.pdf Name of Attached Document
---	---

<1220> Link to Public Website	HTTP
-------------------------------	------

“Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- | | |
|--|--|
| <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, | <input style="width: 20px; height: 15px; border: 1px solid black;" type="checkbox"/> |
|--|--|
- | | |
|---|--|
| <1222> Details on the number of minutes provided as part of the plan, | <input style="width: 20px; height: 15px; border: 1px solid black;" type="checkbox"/> |
|---|--|
- | | |
|---|--|
| <1223> Additional charges for toll calls, and rates for each such plan. | <input style="width: 20px; height: 15px; border: 1px solid black;" type="checkbox"/> |
|---|--|

(2000) Price Cap Carrier Additional Documentation Data Collection Form <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	532371
<015> Study Area Name	CASCADE UTIL INC
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035> Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)i}
- <2011a> 3rd Year Certification {47 CFR § 54.313(b)(1)ii}
- <2011b> Attachment {47 CFR § 54.313(b)(1)ii}

Name of Attached Document(s) Listing Required Information

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

- <2012> 2013 Frozen Support Calculation {47 CFR § 54.313(c)(1)}
- <2013> 2014 Frozen Support Calculation {47 CFR § 54.313(c)(2)}
- <2014> 2015 Frozen Support Calculation {47 CFR § 54.313(c)(3)}
- <2015> 2016 and future Frozen Support Calculation {47 CFR § 54.313(c)(4)}

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

- <2016> Certification Support Used to Build Broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

- <2021> Interim Progress Community Anchor Institutions

Name of Attached Document(s) Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010> Study Area Code	532371
<015> Study Area Name	CASCADE UTIL INC
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035> Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3010) **Progress Report on 5 Year Plan**
Milestone Certification (47 CFR § 54.313(f)(1)(i))

532371or3010.pdf

Name of Attached Document Listing Required Information

(3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

532371or3012.pdf

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) (Yes/No) Yes No

(3014) If yes, does your company file the RUS annual report (Yes/No) Yes No

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

532371or3017.pdf

Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, Is your company audited? (Yes/No) Yes No

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,

(3023) Underlying information subjected to a review by an independent certified public accountant

(3024) Underlying information subjected to an officer certification.

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation (Continued)

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	532371
<015> Study Area Name	CASCADE UTIL INC
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035> Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

Financial Data Summary

(3027) Revenue

(3028) Operating Expenses

(3029) Net Income

(3030) Telephone Plant In Service

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends

Redacted
for Public
View

Name of Attached Document Listing Required Information

"CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, 14-58, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	532371
<015> Study Area Name	CASCADE UTIL INC
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035> Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	CASCADE UTIL INC
Signature of Authorized Officer:	CERTIFIED ONLINE Date 06/29/2015
Printed name of Authorized Officer:	Brooke Wheeler
Title or position of Authorized Officer:	CFO
Telephone number of Authorized Officer:	5036308952 ext.
Study Area Code of Reporting Carrier:	532371 Filing Due Date for this form: 07/01/2015
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010>	Study Area Code	532371
<015>	Study Area Name	CASCADE UTIL INC
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035>	Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext .
<039>	Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent or Employee of Agent:	
Signature of Authorized Agent or Employee of Agent:	Date:
Printed name of Authorized Agent or Employee of Agent:	
Title or position of Authorized Agent or Employee of Agent:	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

**Cascade Utilities, Inc.
2015**

PROGRESS REPORT ON SERVICE QUALITY IMPROVEMENT PLAN

PREAMBLE

**Redacted for
Public View**

UNIVERSAL SERVICE SUPPORT RECEIVED IN 2015

**Redacted for
Public View**

Redacted for Public View

PROGRESS REPORT

2015

Redacted for Public View

Redacted for Public View

Redacted for Public View

Redacted for Public View

Redacted for Public View

Redacted for Public View

NETWORK IMPROVEMENT PROJECTS-PROGRESS REPORT
AS OF 2015 ANNUAL REPORT SUBMISSION - JULY 1, 2015

532371or112

"CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, 14-58, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."



CASCADE UTILITIES, INC.

PO Box 189 Estacada, Oregon. 97023
Fax (503) 630-8934
Phone (503) 630-4202

Consumer Protection

Cascade Utilities, Inc. complies with the requirements of 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent identity theft. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on the programs as required by their job functions.

Service Quality Standards

Voice

Cascade Utilities, Inc. complies with the service standards of the State of Oregon as promulgated in the Oregon Administrative Rules **860-034-0390**, Retail Telecommunications Service Standards for Small Telecommunications Utilities.

Broadband

Cascade Utilities, Inc. complies with the service standards as noted in NECA Tariff #5 and is committed to provide the highest quality service to its broadband customers..



CASCADE UTILITIES, INC.

PO Box 189 Estacada, Oregon. 97023
Fax (503) 630-8934
Phone (503) 630-4202

Cascade Utilities is able to remain functional in an emergency situation. Please see the specific information below in regard to back-up power, ability to reroute traffic around damaged facilities, and the capability to manage traffic spikes resulting from emergency situations.

Back-up Power

Cascade Utilities, Inc. has the following back-up power capabilities:

Switches – stand alone and/or host

Redacted for Public View

Ability to reroute traffic around damaged facilities:

Cascade Utilities, Inc. has built redundant facilities between its exchanges and to its connecting company toll tandem. This redundant facility is in the form of a SONET ring with alternate physical facilities between **Cascade Utilities, Inc.** and **Beaver Creek Telephone, Qwest/CenturyLink, Frontier Communications**, its interconnection to the Public Switched Telephone Network. **Cascade Utilities, Inc.** has built two independent facilities between **Clear Creek Communications** and **Comcast** to transport broadband services to the assigned Internet Service Provider.

Capability to manage traffic spikes resulting from emergency situations

Estacada, Corbett, Haines

Cascade Utilities, Inc. has 5982 customers, switching capacity of 6775 simultaneous calls, and transport capacity for 1385 simultaneous calls. **Cascade Utilities, Inc.** also serves 4158 broadband customers for one ISP. **Cascade Utilities, Inc.** takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations, but will continue its best efforts for its networks during such events.

Elkton

Cascade Utilities, Inc. has 608 customers, switching capacity of 184 simultaneous calls, and transport capacity for 96 simultaneous calls. **Cascade Utilities, Inc.** also serves 410 broadband customers for one ISP. **Cascade Utilities, Inc.** takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations, but will continue its best efforts for its networks during such events.

**(710) Broadband Price Offerings
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	532371
<015>	Study Area Name	CASCADE UTIL INC
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Summer McPherson
<035>	Contact Telephone Number - Number of person identified in data line <030>	5036308977 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	mcpersons@cuaccess.net

<711>	<a1>	<a2>	<b1>	<b2>	<c>	<d1>	<d2>	<d3>	<d4>
	State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rates and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached {select}
	OR	Estacada	27.95	0.0	27.95	0.5	0.5	999999	Other, No Data Caps
	OR	Estacada	37.95	0.0	37.95	3.0	0.5	999999	Other, No Data Caps
	OR	Estacada	42.95	0.0	42.95	6.0	1.0	999999	Other, No Data Caps
	OR	Estacada	49.95	0.0	49.95	9.0	1.0	999999	Other, No Data Caps
	OR	Estacada	56.95	0.0	56.95	12.0	1.0	999999	Other, No Data Caps
	OR	Corbett	27.95	0.0	27.95	0.5	0.5	999999	Other, No Data Caps
	OR	Corbett	37.95	0.0	37.95	3.0	0.5	999999	Other, No Data Caps
	OR	Corbett	42.95	0.0	42.95	6.0	1.0	999999	Other, No Data Caps
	OR	Corbett	49.95	0.0	49.95	9.0	1.0	999999	Other, No Data Caps
	OR	Corbett	56.95	0.0	56.95	12.0	1.0	999999	Other, No Data Caps
	OR	Elkton/Ash Valley	42.95	0.0	42.95	6.0	1.0	999999	Other, No Data Caps
	OR	Elkton/Ash Valley	49.95	0.0	49.95	9.0	1.0	999999	Other, No Data Caps
	OR	Elkton/Ash Valley	56.95	0.0	56.95	12.0	1.0	999999	Other, No Data Caps
	OR	Haines/Medical Springs	42.95	0.0	42.95	3.0	1.0	999999	Other, No Data Caps
	OR	Haines/Medical Springs	49.95	0.0	49.95	6.0	1.0	999999	Other, No Data Caps
	OR	Haines/Medical Springs	56.95	0.0	56.95	9.0	1.0	999999	Other, No Data Caps
	OR	Estacada	66.95	0.0	66.95	15.0	3.0	999999	Other, No Data Caps
	OR	Estacada	76.95	0.0	76.95	20.0	10.0	999999	Other, No Data Caps
	OR	Estacada	86.95	0.0	86.95	40.0	20.0	999999	Other, No Data Caps
	OR	Estacada	96.95	0.0	96.95	60.0	30.0	999999	Other, No Data Caps
	OR	Corbett	66.95	0.0	66.95	15.0	3.0	999999	Other, No Data Caps

54.313 Lifeline customers MOU and additional toll charges

Lifeline subscribers receive the same residential service as a regular subscriber, but at a reduced monthly recurring rate. Thus, lifeline subscribers have an unlimited number of local calling minutes. As for toll, lifeline subscribers, similar to every Cascade Utilities Inc., subscriber, are free to choose their own toll usage plans through IXCs that serves Cascade Utilities, Inc.

Oregon Telephone Assistance Program (OTAP)/Lifeline Application

Oregon Public Utility Commission
PO Box 2148, Salem OR 97308
1-800-848-4442 or 503-373-7171
1-800-648-3458 (TTY)
971-239-5845 (Videophone)
Fax: 1-877-567-1977 or 503-378-6047
puc.rspf@state.or.us

You may qualify if you participate in one of the following programs:

Supplemental Nutrition Assistance Program; Food Stamps (SNAP)
Supplemental Security Income (SSI)
Temporary Assistance for Needy Families (TANF)
National School Lunch Program; *Free Lunch Program Only* (NSLP)
Certain State Medical Programs or Certain Medicaid Programs
at or below 135% of the federal poverty guidelines

How to apply: To apply for this program or obtain more information, please contact the OTAP staff at 1-800-848-444. Or you may complete an application online at: www.rspf.org

Oregon Telephone Assistance Program (OTAP)/Lifeline Application

You may complete an OTAP/Lifeline application online at: www.rspf.org

Oregon Public Utility Commission
 PO Box 2148, Salem OR 97308
 1-800-848-4442 or 503-373-7171
 1-800-648-3458 (TTY)
 971-239-5845 (Videophone)
 Fax: 1-877-567-1977 or 503-378-6047
puc.rspf@state.or.us

Please **PRINT** clearly and **SIGN** on page 2.

If you have a situation that prevents you from providing certain information, please contact us for assistance.

Applicant's Legal Name (Last, First, M.I.) (Applicant's legal name MUST be on phone bill)		Applicant's Social Security No.		Applicant's Birth Date	
		- -		/ /	
Applicant's Home Address	Is this a temporary address? <input type="checkbox"/> Yes <input type="checkbox"/> No	Apt. #	City	State OR	ZIP
Applicant's Mailing Address (if different from your home address)		Apt. #	City	State OR	ZIP
Applicant's Phone Company (As listed on page 3)	Applicant's Phone Number () -		Applicant's E-mail Address		

I participate in the following qualifying programs (Check any that apply):

- SNAP** (Supplemental Nutrition Assistance Program; Food Stamps)
- SSI** (Supplemental Security Income)
- TANF** (Temporary Assistance for Needy Families)
- Certain State Medical Programs or Certain Medicaid Programs**
at or below 135% of the federal poverty guidelines

Supporting documentation is required for the following program:

- NSLP*** (National School Lunch Program; *Free Lunch Program Only*)
*Please provide a copy of the official letter from your school district indicating your current participation.

Please continue to page 2 

Please completely READ and SIGN this form that indicates you understand and agree to comply with the following Oregon Telephone Assistance Program (OTAP)/Lifeline rules:

- I understand that completing this application does not immediately approve me for the OTAP/Lifeline benefit. I will be notified in writing of my application status.
- I understand it may take 30-90 days for the phone company to apply the OTAP/Lifeline benefit to my phone bill.
- I give the Oregon Public Utility Commission (PUC) authority to obtain or review any required records needed to confirm my statements and to confirm that I qualify for the OTAP/Lifeline. I also authorize the phone company to release any required records for my OTAP/Lifeline benefit.
- I am head of household and no one else in my household receives landline or wireless OTAP/Lifeline service.
- I understand that the OTAP/Lifeline credit is only allowed for **ONE PHONE LINE PER HOUSEHOLD**
 - A household is defined as any persons who live together at the same address and share income and expenses.
- I understand that if I break or violate the one-per-household rule I will no longer qualify for the OTAP/Lifeline program.
- I agree to let the PUC know within 30 days if:
 - I no longer qualify for the OTAP/Lifeline benefit
 - I no longer take part in a qualifying program
 - I receive more than one OTAP/Lifeline benefit
 - Another member of my household is also receiving the OTAP/Lifeline benefit
- I understand that I have 30 days to notify the PUC if I no longer qualify for the OTAP/Lifeline benefit or I may be removed from the program.
- I agree to notify the PUC of address changes within 30 days of moving.
- I understand that my OTAP/Lifeline benefit may not be transferred or given to any other person.
- I understand that I may be required to confirm that I still qualify for the OTAP/Lifeline benefit at any time and that, if I do not comply, my OTAP/Lifeline benefits will stop.
- I understand that OTAP/Lifeline is a state and federal benefit and willfully making false statements or providing false or fraudulent documents to obtain the benefit is punishable by law and can result in fines, imprisonment, disqualification or being permanently removed from the program.

By signing this application I certify under penalty of perjury that the information contained in this application is true and correct and that I meet the eligibility criteria for the OTAP/Lifeline benefit.

Applicant Signature _____

Print Name _____ Date _____

**Please Mail Application to: PUC, PO Box 2148, Salem OR 97308
or Fax to: 1-877-567-1977 or 503-378-6047**

Do you have questions? Call us at 1-800-848-4442 or 503-373-7171

Oregon Telephone Assistance Program (OTAP)/Lifeline Application

You may complete an OTAP/Lifeline application online at: www.rspf.org

Oregon Public Utility Commission
 PO Box 2148, Salem OR 97308
 1-800-848-4442 or 503-373-7171
 1-800-648-3458 (TTY)
 971-239-5845 (Videophone)
 Fax: 1-877-567-1977 or 503-378-6047
puc.rspf@state.or.us

The Oregon Public Utility Commission (PUC) manages the Oregon Telephone Assistance Program (OTAP), also known as Lifeline. If you qualify, this federal and state government assistance program reduces your monthly phone bill by \$12.75.

You may qualify if you participate in one of the following programs:

- Supplemental Nutrition Assistance Program; Food Stamps (SNAP)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- National School Lunch Program; *Free Lunch Program Only* (NSLP)
- Certain State Medical Programs or Certain Medicaid Programs at or below 135% of the federal poverty guidelines

Landline phone companies that provide the OTAP/Lifeline benefit:

Asotin	Frontier	Nehalem	Roome Tel Com
Beaver Creek	Gervais	North State	Scio Mutual
Canby Co-Op	Helix	Oregon Tel. Corp.	St. Paul
CenturyLink	Home/TDS	Oregon/Idaho	Stayton Co.
Clear Creek	Molalla	People's	Warm Springs
Colton	Monitor	Pine Phone Co.	
ComSpan	Monroe	Pioneer	
Eagle	Mt. Angel	Reliance Connects	

Wireless phone companies that provide the OTAP/Lifeline benefit:

AT&T Mobility* -in select areas Cricket Snake River PCS US Cellular

The OTAP/Lifeline benefit cannot be applied to Pay-As-You-Go Plans.

*AT&T Mobility only offers the OTAP/Lifeline benefit in select areas.
 Call 1-800-377-9450 to determine if the OTAP/Lifeline benefit is offered in your coverage area.



CASCADE UTILITIES, INC.

PO Box 189 Estacada, Oregon. 97023
Fax (503) 630-8934 Phone (503) 630-4202

Attachment for Line 3010

July 1, 2015

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743

**Re: WC Docket No. 14-58, 2015 Annual Report, Form 481 for High-Cost Recipient
54.313(f)(1) "Milestone Certification"**

Dear Ms. Dortch:

In compliance with the filing requirements associated with, and attached to Form 481, we wish to advise the Commission that Cascade Utilities, Inc.:

Has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps Upstream;
Provides latency suitable for real-time applications including VoIP and usage capacity which is reasonably comparable to those in urban areas and;
Those reasonable requests for service are met within a reasonable timeframe.

If there are questions, I may be contacted at 503-630-8940.

Sincerely,

Brenda C. Crosby
President

532371or3010



CASCADE UTILITIES, INC.

PO Box 189 Estacada, Oregon. 97023
Fax (503) 630-8934
Phone (503) 630-4202

ANCHOR INSTITUTIONS WITHIN CASCADE UTILITIES, INC. TERRITORY

In compliance with 54.313(f)(1).

Access to broadband services was available prior to 2014 to all known anchor institutions. All requests for broadband services, and speed, were fulfilled in 2014. Cascade Utilities, Inc. continues to monitor customer demand and technological innovation, planning to size its network in anticipation of requests for higher speed broadband services. Cascade Utilities, Inc. was able *to offer improved* broadband services and speeds in 2014 to the following anchor institutions.

- | | |
|-------------------------------|---|
| 1. Elkton High School | 739 River Dr. Elkton, OR 97436 |
| 2. Elkton Grade School | 15656 OR-38, Elkton, OR 97436 |
| 3. Haines Public Library | 818 Cole St, Haines, OR 97833 |
| 4. Scottsburg Fire Department | 33237 St. Hwy. 38, Scottsburg, OR 97473 |

Anchor institutions include the following:

- Schools
- Libraries
- Colleges and other institutions of higher education
- Medical and healthcare providers
- Other community support organizations



AKT[®]

CPAS AND BUSINESS CONSULTANTS

Personal. Local. Global.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cascade Utilities, Inc. and Subsidiary
Estacada, Oregon

We have audited the accompanying consolidated financial statements of Cascade Utilities, Inc. and Subsidiary (the Company), which comprise the consolidated balance sheets as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cascade Utilities, Inc. and Subsidiary at December 31, 2014 and 2013, and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

680 HAWTHORNE AVENUE SE, #140, SALEM, OR 97301

PHONE: 503.585.7774 FAX: 503.364.8405

532371or3017 PORTLAND, OR | SALEM, OR | CARLSBAD, CA | ESCONDIDO, CA | SAN DIEGO, CA | ANCHORAGE, AK

AKT LLP

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in the accompanying schedules is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 16, 2015, on our consideration of Cascade Utilities, Inc. and Subsidiary's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cascade Utilities, Inc. and Subsidiary's internal control over financial reporting and compliance.

AKT LLP

Salem, Oregon
April 16, 2015

CASCADE UTILITIES, INC. and SUBSIDIARY**Consolidated Balance Sheets**

December 31, 2014 and 2013

ASSETS

2014

2013

Current Assets:

Cash and cash equivalents
 Marketable securities
 Accounts receivable
 Accounts receivable, related parties
 Interest and dividends receivable
 Materials and supplies
 Income taxes receivable
 Prepaid expenses

Total Current Assets

Other Assets and Investments:

Notes receivable
 Notes receivable, related parties
 Other assets
 Prepaid pension cost
 Marketable securities
 Investments
 Goodwill

Total Other Assets and Investments

Property, Plant, and Equipment:

Telecommunications
 Under construction

Less accumulated depreciation

Telecommunications, net

Cable television property, net

Nonregulated property, net

Property, Plant, and Equipment, net

Redacted for Public View

LIABILITIES AND STOCKHOLDERS' EQUITY

2014

2013

Current Liabilities:

Current portion of long-term debt

Accounts payable

Accrued expenses

Income taxes payable

Customer deposits

Advance billings

Deferred income tax

Total Current Liabilities

Long-Term Liabilities:

Long-term debt

Deferred income tax

Total Long-Term Liabilities

Total Liabilities

Stockholders' Equity:

Common stock, authorized 1,000,000

104,025 shares issued and outstanding

Retained earnings

Accumulated other comprehensive income

Total Stockholders' Equity

Redacted for Public View

CASCADE UTILITIES, INC. and SUBSIDIARY**Consolidated Statements of Income**

Years Ended December 31, 2014 and 2013

	2014	2013
Operating Revenues:		
Local network services		
Network access services		
Miscellaneous operating		
Uncollectible revenues		
Total Operating Revenues		
Operating Expenses:		
Plant specific		
Plant nonspecific		
Customer		
Corporate		
Depreciation and amortization		
Total Operating Expenses		
Operating Taxes:		
Operating income taxes		
Other operating taxes		
Total Operating Expense and Tax		
Operating Income		
Other Income (Expense):		
Nonoperating income and expense		
Interest expense		
Nonregulated operations, net		
Cable television, net		
Nonregulated income taxes		
Nonoperating income taxes		
Total Other Income		
Net Income		

Redacted
for Public
View

CASCADE UTILITIES, INC. and SUBSIDIARY**Consolidated Statements of Cash Flows**

Years Ended December 31, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities:		
Net income		
Adjustments to reconcile net income to provided (used) by operating activities:		
Regulated depreciation and amortization		
Nonregulated depreciation		
Income from equity method investments		
Change in deferred income tax		
Amortization of bond premium		
Realized loss (gain) on sale of marketable securities		
Realized gain on sale of investment		
Accrued pension benefit		
Changes in assets and liabilities:		
Accounts receivable		
Accounts receivable, related parties		
Interest and dividends receivable		
Materials and supplies		
Income taxes receivable and payable		
Prepaid expenses		
Accounts payable		
Accrued expenses		
Customer deposits		
Advance billings		
Net Cash Provided (Used) by Operating Activities		
Cash Flows from Investing Activities:		
Capital expenditures		
Purchase of investments and marketable securities		
Proceeds from investments and marketable securities		
Proceeds from notes receivable		
Proceeds from notes receivable, related parties		
Issuances of notes receivable		
Issuances of notes receivable, related parties		
Distributions received from investments		
Change in other assets		
Net Cash Used by Investing Activities		

Redacted
for Public
View

CASCADE UTILITIES, INC. and SUBSIDIARY
Consolidated Statements of Cash Flows, continued
 Years Ended December 31, 2014 and 2013

	2014	2013
Cash Flows from Financing Activities:		
Proceeds from long-term debt		
Payments on long-term debt		
Proceeds from ARRA BIP grant		
Dividends paid		
Net Cash Provided by Financing Activities		
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, beginning		
Cash and Cash Equivalents, ending		
Cash Paid During the Year for Taxes		
Cash Paid During the Year for Interest		
Noncash Activities:		
Additions to property, plant and equipment included in accounts payable		

Redacted
for Public
View

CASCADE UTILITIES INC. and SUBSIDIARY
Notes to the Consolidated Financial Statements
 Years Ended December 31, 2014 and 2013

Note 8 - Long-Term Debt

Long-term debt consists of the following:

Redacted for Public View

The long-term debt agreement contains restrictions on the payment of dividends and terms also require the maintenance of defined equity and meeting certain financial ratios.

Future maturities of long-term debt are as follows:

- 2015
- 2016
- 2017
- 2018
- 2019
- Thereafter

Redacted for Public View

Note 9 - Income Taxes

The provision for income taxes differs from the amount computed by applying the current statutory federal and state income tax rates to earnings before income taxes due to the effects of state taxes, non-deductible items, prior year over or under accruals, and the use of accelerated depreciation for tax purposes.

Deferred taxes in the accompanying balance sheets include the following components at December 31:

	<u>2014</u>	<u>2013</u>
Current:		
Prepaid expenses		
Accrued expenses		
Noncurrent:		
Depreciation		
Pension obligation		
Unrealized gain/loss, net		

**Redacted for
Public View**

CASCADE UTILITIES INC. and SUBSIDIARY

Notes to the Consolidated Financial Statements

Years Ended December 31, 2014 and 2013

Note 9 - Income Taxes, continued

Income tax (benefit) expense consists of the following as of December 31:

Operating:

Deferred

Current expense

Prior year underaccrual

Total Operating

Nonoperating:

Deferred

Current expense

Prior year underaccrual

Total Nonoperating

Redacted for
Public View

Note 10 - Related Party Transactions

Redacted for
Public View

CASCADE UTILITIES INC. and SUBSIDIARY
Notes to the Consolidated Financial Statements
Years Ended December 31, 2014 and 2013

Note 10 - Related Party Transactions, continued

**Redacted for Public
View**

SUPPLEMENTAL INFORMATION

CASCADE UTILITIES, INC. and SUBSIDIARY

Consolidating Balance Sheets

December 31, 2014

ASSETS	Cascade Utilities, Inc.	Rio Virgin Telephone Company	Eliminations	Consolidated
Current Assets:				
Cash and cash equivalents	\$			
Marketable securities				
Accounts receivable				
Accounts receivable, related parties				
Interest and dividends receivable				
Materials and supplies				
Income taxes receivable				
Prepaid expenses				
Total Current Assets				
Other Assets and Investments:				
Notes receivable				
Notes receivable, related parties				
Other assets				
Prepaid pension cost				
Marketable securities				
Investments				
Investments, affiliate				
Goodwill				
Total Other Assets and Investments				
Property, Plant, and Equipment:				
Telecommunications				
Under construction				
Less accumulated depreciation				
Telecommunications, net				
Cable television property, net				
Nonregulated property, net				
Property, Plant, and Equipment, net				
	\$			

Redacted
for Public
View

LIABILITIES AND STOCKHOLDERS' EQUITY	Cascade Utilities, Inc.	Rio Virgin Telephone Company	Eliminations	Consolidated
Current Liabilities:				
Current portion of long-term debt	\$			
Accounts payable				
Accrued expenses				
Customer deposits				
Advance billings				
Deferred income tax				
Total Current Liabilities				
Long-Term Liabilities:				
Long-term debt				
Deferred income tax				
Total Long-Term Liabilities				
Total Liabilities				
Stockholders' Equity:				
Common stock				
Retained earnings				
Accumulated other comprehensive income				
Stockholders' Equity	\$			

Redacted
for Public
View

CASCADE UTILITIES, INC. and SUBSIDIARY

Consolidating Statements of Income

Year Ended December 31, 2014

Schedule II

	Cascade Utilities, Inc.	Rio Virgin Telephone Company	Eliminations	Consolidated
Operating Revenues:				
Local network services				
Network access services				
Miscellaneous operating				
Uncollectible revenues				
Total Operating Revenues				
Operating Expenses:				
Plant specific				
Plant nonspecific				
Customer				
Corporate				
Depreciation and amortization				
Total Operating Expenses				
Operating Taxes:				
Operating income taxes				
Other operating taxes				
Total Operating Expense and Taxes				
Operating Income				
Other Income (Expense):				
Non-operating income and expen:				
Interest expense				
Nonregulated operations, net				
Cable television, net				
Nonregulated income taxes				
Non-operating income taxes				
Income from subsidiary				
Total Other Income				
Net Income				

Redacted
for Public
View

CASCADE UTILITIES, INC. and SUBSIDIARY**Consolidating Statements of Cash Flows**

Year Ended December 31, 2014

Schedule III

	Cascade Utilities, Inc	Rio Virgin Telephone Company	Eliminations	Consolidated
Cash Flows from Operating Activities:				
Net income				
Adjustments to reconcile net income to net cash provided by operating activities:				
Regulated depreciation and amortiza				
Nonregulated depreciation				
Income from equity method investme				
Income from subsidiary				
Change in deferred income tax				
Amortization of bond premium				
Realized (gain) loss on sale of marke securities				
Accrued pension benefit				
Changes in assets and liabilities:				
Accounts receivable				
Accounts receivable, related partie				
Interest and dividends receivable				
Materials and supplies				
Income taxes receivable and paya				
Prepaid expenses				
Accounts payable				
Accrued expenses				
Customer deposits				
Advance billings				
Net Cash Provided (Used) by Operating Activities				
Cash Flows from Investing Activities:				
Capital expenditures				
Purchase of investments and marketable securities				
Proceeds from investments and marketable securities				
Proceeds from notes receivable				
Proceeds from notes receivable, related				
Issuances of notes receivable				
Issuances of notes receivable, related p				
Distributions received from investments				
Change in other assets				
Net Cash Provided (Used) by Investing Activities				

**Redacted
for Public
View**

CASCADE UTILITIES, INC. and SUBSIDIARY
Consolidating Statement of Cash Flows, continued
 Year Ended December 31, 2014

Schedule III, continued

	Cascade Utilities, Inc.	Rio Virgin Telephone Company	Eliminations	Consolidated
Cash Flows from Financing Activities:				
Proceeds from long-term debt				
Payments on long-term debt				
Proceeds from ARRA BIP grant				
Dividends paid				
Net Cash Provided (Used) by Financing Activities				
Net Change in Cash and Cash Equivalents				
Cash and cash Equivalents, beginning				
Cash and Cash Equivalents, ending				
Cash Paid During the Year for Taxes				
Cash Paid During the Year for Interest				
Noncash Activities:				
Additions to property, plant and equipment included in accounts payable				

Redacted
for Public
View

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is xxxx. The time required to complete this information collection is estimated to average x hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS	This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.	
	BORROWER NAME CASCADE UTILITIES, INC.	
	ADDRESS ESTACADA, Oregon	
INSTRUCTIONS-Submit report to RUS within 15 days after close of the period.	PERIOD ENDING December, 2014	BORROWER DESIGNATION OR1108

CERTIFICATION	
We hereby certify that: 1. the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief; and 2. we have fulfilled our obligations under the Loan Documents throughout the year in all material respects ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.	
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.	<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the notes section of this report.
_____ Brenda Crosby	_____ 04/24/2015 DATE

PART A. BALANCE SHEET			
ASSETS	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE END OF PERIOD
CURRENT ASSETS			
1. Cash and Equivalents			
2. Cash-RUS Construction Fund			
3. Accounts Receivable			
4. Notes Receivable			
5. Materials and Inventory			
6. Other Current Assets			
Total Current			
7. Assets (1 thru 6)			
NONCURRENT ASSETS			
8. Investment in Affiliated Companies			
9. Other Noncurrent Assets			
PLANT, PROPERTY, AND EQUIPMENT			
10. Telecom. Plant-in-Service			
11. Plant Under Construction			
12. Plant Adj., Nonop. Plant, & Goodwill			
13. Less Accumulated Depreciation			
Net Plant			
14. (10 thru 12 less 13)			
TOTAL ASSETS			
15. (7+8+9+14)			

Redacted for Public View

Total Equity =

USDA-RUS	BORROWER DESIGNATION
FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS	OR1108
	PERIOD ENDING December, 2014

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	YEAR-TO-DATE
1. Local Network Services Revenues	
a. Voice	
b. Video	
c. Internet	
i. Broadband	
ii. Other	
2. Network Access Services and Long Distance Revenues	
3. Miscellaneous Revenues	
4. Other Operating Income	
5. Uncollectible Revenues	
6. Net Operating Revenues (11 thru 4 less 5)	
7. Plant Specific Operations Expense	
8. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	
9. Customer Operations Expense	
10. Corporate Operations Expense	
11. Other Operating Expenses	
12. Total Operating Expenses (7 thru 11)	
13. Operating Income or Margins (6 less 12)	
14. Nonoperating/Nonregulated Net Income	
15. EBITDA (13 + 14)	
16. Depreciation Expense	
17. Amortization Expense	
18. EBIT (15 - 16 - 17)	
19. Interest on Funded Debt	
20. Other Interest Expense	
21. Taxes	
a. Property	
b. Income	
22. Total Net Income or Margins (18-19-20-21)	
23 Dividends Declared (Common)	
24 Dividends Paid	
25 Transfers to Patronage Capital	
26 Principal Payments on Long Term Debt and Capital Leases	
27 TIER (19 + 20 + 22) / (19 + 20)	

Redacted for Public View

USDA-RUS

**FINANCIAL AND STATISTICAL REPORT
FOR BROADBAND BORROWERS**

BORROWER DESIGNATION

OR1108

PERIOD ENDING

December, 2014

PART C. SERVICES

No.	SERVICE OFFERINGS	1. RATES		2. SUBSCRIBERS		Total (c)
		Residential (a)	Business (b)	Residential (a)	Business (b)	
	Broadband Data Packages					
1				1		1
	Double Play - Video/Broadband Data					
2	9m/1m	49.95	49.95	318	14	332
	Double Play - Voice/Broadband Data					
3	3m/1m	42.95	42.95	123	7	130
4	6m/1m	42.95	42.95	2607	204	2811
5	5m/512k					
6	12M/1M	56.95	56.95	599	44	643
7	20m/10m	76.95	76.95	6	1	7
8	512k/512k	27.95	27.95	467	18	485
9	3m/1m	37.95	37.95	201	2	203
10	15m/3m	66.95	66.95	9	2	11
11	9m/1m	56.95	56.95	68	8	76
12	6m/1m	49.95	49.95	42	1	43
13	10m/512k					
14	12m/1m	95.00	95.00	5	0	5
15	60m/30m	96.95	96.95	6	5	11
16	60M/30M					
17	40M/20M	86.95	86.95	6	1	7

<i>USDA-RUS</i>				BORROWER DESIGNATION OR1108	
FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS				PERIOD ENDING December, 2014	
PART C. COMMUNITIES					
No.	Community	County	State	No. Broadband Data Customers	Broadband Application
1	Haines city	Baker	OR	249	
2	Estacada city	Clackamas	OR	3,266	
3	Other Area	Multnomah	OR	826	
4	Elkton city	Douglas	OR	425	

USDA-RUS

**FINANCIAL AND STATISTICAL REPORT
FOR BROADBAND BORROWERS**

BORROWER DESIGNATION

OR1108

PERIOD ENDING

December, 2014

PART D. STATEMENT OF CASH FLOWS

Redacted
for Public
View

1.
CASH FLOWS FROM OPERATING ACTIVITIES:
2. Net Income
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operat</i>
3. Add: Depreciation
4. Add: Amortization
5. Other (Explain)
<i>Changes in Operating Assets and Liabilities:</i>
6. Decrease/(Increase) in Accounts Receivable
7. Decrease/(Increase) in Materials and Inventory
8. Decrease/(Increase) in Other Current Assets
9. Increase/(Decrease) in Accounts Payable
10. Increase/(Decrease) in Other Current Liabilities
11.
CASH FLOWS FROM FINANCING ACTIVITIES:
12. Decrease/(Increase) in Notes Receivable
13. Increase/(Decrease) in Notes Payable
14. Plus/(Less) Net Increase/(Decrease) in Long Term Debt (includ
15. Plus: Increase/(Less: Decrease) in Capital Stock, Paid-in Capit
16. Less: Payment of Dividends
17. Other (Explain)
18.
CASH FLOWS FROM INVESTING ACTIVITIES:
19. Net Capital Expenditures
20. Long-Term Investments
21. Other (Explain)
22.
23.
24.

<p style="text-align: center;"><i>USDA-RUS</i></p> <p style="text-align: center;">FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS</p>	<p>BORROWER DESIGNATION</p> <p>OR1108</p>	
	<p>PERIOD ENDING</p> <p>December, 2014</p>	
PART 9. 6-D'D9F: CFA5B79'A95GI F9G		
	New Broadband Service	Improved Broadband Service
1. Number of households subscribing to	41	652
2. Number of businesses subscribing to	5	1
3. Number of educational providers receiving	0	2
4. Number of libraries receiving	0	1
5. Number of health care providers receiving	0	1
6. Number of public safety providers receiving	0	0

<p style="text-align: center;"><i>USDA-RUS</i></p> <p style="text-align: center;">FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS</p>	<p>BORROWER DESIGNATION OR1108</p>
	<p>PERIOD ENDING December, 2014</p>
<p style="text-align: center;">Notes to Operating Report - Broadband</p>	