

**DOCKET NO. UM 1822**

**Cover Sheet for Submission of  
2017 Annual ETC Certification Reports**

Name of Eligible Telecommunications Carrier: Molalla Telephone Company

Filing date: 6/8/17

Is this: Original submission?   
OR  
Revised submission? \_\_\_\_\_

Person to contact for questions:

Name Terry Simms

Phone number 503-829-1122

E-mail address tsimms@molalla.com

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)<sup>1</sup>

\_\_\_\_\_ HUBB Portal Broadband Information<sup>2</sup>

\_\_\_\_\_ Form 690 (Mobility Fund per 47 CFR § 54.1009)

\_\_\_\_\_ Affidavit for High-Cost Support

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**Filing deadlines:** The Oregon 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 3, 2017. The CAF/ICC support data is due on the same day as the ETC's interstate access tariff filing (see FCC DA 17-258 for dates).

<sup>1</sup> 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.

<sup>2</sup> Federal Price Cap carriers only.

## DOCKET NO. UM 1822

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.

### FILING INSTRUCTIONS

Please file submissions for this year in Docket No. UM 1822. Include this cover sheet with each filing to indicate which documents are included. Please fill in all relevant items of information on the cover sheet.

Filings must be electronically submitted to the PUC Filing Center. You may e-mail documents to [puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us). Please note that the upload process is no longer an option for filing. See the PUC website for further instructions. If selected portions of documents are to receive confidential treatment, those portions should not be filed electronically. You may electronically file redacted versions of documents containing confidential information, but then follow-up by sending full versions including confidential information printed on yellow paper.

***After filing electronically, please send two hard copies of the filing package (cover sheet and filed information) to the PUC Filing Center.*** Be sure to include the original affidavit with the raised seal or notary's mark evident. Hard copies of confidential material should be filed in accordance with confidential designation requirements described in OAR 860-011-0080.

Regular delivery methods may be used to send all hard copy documents; overnight or express delivery is not necessary. Please send hard copy documents to the Filing Center via US mail using the following post office box address:

Public Utility Commission of Oregon  
Attn: Filing Center  
PO Box 1088  
Salem, OR 97308-1088

If you send hard copy documents via means other than the US Postal Service, use the following address:

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street SE, Suite 100  
Salem, OR 97301

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If you have any questions regarding the reporting requirements, please contact Kay Marinos at 503-378-6730 or send an e-mail to [Kay.Marinos@state.or.us](mailto:Kay.Marinos@state.or.us).

Response to Line 1030  
Molalla Telephone Company  
Study Area 532383

### Broadband Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (1) Molalla Telephone Company (“MCC”) charges a residential rate of [REDACTED] for broadband providing 10 Mbps download, 1 Mbps upload, and an unlimited usage allowance. This rate is lower than [REDACTED], which is the 2016 reasonable comparability benchmark for the same offering established by the Wireline Competition Bureau.<sup>1</sup>

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<sup>1</sup> *Wireline Competition Bureau Announces Results of 2015 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, Public Notice, WC Docket No. 10-90, DA 15-470 (rel. April 16, 2015).

Response Line 510 - Broadband  
Molalla Telephone Company dba Molalla Communications  
Molalla Oregon

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) MOLALLA TELEPHONE DBA MOLALLA COMMUNICATIONS ("MOLALLA COMMUNICATIONS COMPANY") is in compliance with appropriate FCC Service Quality Standards and Consumer Protection Rules. MOLALLA COMMUNICATIONS provides CPNI training to all of its new employees and in addition trains all of its existing employees on an annual basis. MOLALLA COMMUNICATIONS also conducts subscriber outreach regarding CPNI by periodically placing CPNI explanation messages onto its website informing subscribers on CPNI rules and regulations as well as annual bill inserts and the local phone directory annually. In addition MOLALLA COMMUNICATIONS trains staff on Red Flag issues on an annual basis as well as trains any new employees. All MOLALLA COMMUNICATIONS employees are required to sign and acknowledge that they have completed CPNI and Red Flag training and understand obligations to adherence of applicable rules.

MOLALLA COMMUNICATIONS also outlines its rates, terms, and conditions under which MOLALLA COMMUNICATIONS offers service in its Local Exchange Tariff. The tariff explains customer rights and obligations, customer service, dispute resolution, deposits, billing and payment options, disconnection of service as well as cancellation of service options. MOLALLA COMMUNICATIONS keeps its tariffs available for public inspection at its business offices.

Response Line 510 - Voice  
Molalla Telephone Company dba Molalla Communications  
Molalla Oregon

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) MOLALLA TELEPHONE DBA MOLALLA COMMUNICATIONS ("MOLALLA COMMUNICATIONS COMPANY") is in compliance with appropriate FCC Service Quality Standards and Consumer Protection Rules. MOLALLA COMMUNICATIONS provides CPNI training to all of its new employees and in addition trains all of its existing employees on an annual basis. MOLALLA COMMUNICATIONS also conducts subscriber outreach regarding CPNI by periodically placing CPNI explanation messages onto its website informing subscribers on CPNI rules and regulations as well as annual bill inserts and the local phone directory annually. In addition MOLALLA COMMUNICATIONS trains staff on Red Flag issues on an annual basis as well as trains any new employees. All MOLALLA COMMUNICATIONS employees are required to sign and acknowledge that they have completed CPNI and Red Flag training and understand obligations to adherence of applicable rules.

MOLALLA COMMUNICATIONS also outlines its rates, terms, and conditions under which MOLALLA COMMUNICATIONS offers service in its Local Exchange Tariff. The tariff explains customer rights and obligations, customer service, dispute resolution, deposits, billing and payment options, disconnection of service as well as cancellation of service options. MOLALLA COMMUNICATIONS keeps its tariffs available for public inspection at its business offices.

Response Line 610 - Broadband  
Molalla Telephone Company dba Molalla Communications  
Molalla Oregon  
Study Area 532383

**Functionality in Emergency Situations:**

Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) Molalla Telephone Company meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to the Molalla Telephone central office by use of a fixed generator and batteries that provide it with up to 336 hours of emergency power. In addition, Molalla Telephone field electronics have up to 336 hours of back-up power by use of fixed generators and batteries. Molalla Telephone also has DWDM technology deployed in its core fiber optic network that is a self-healing and will automatically reroute traffic should a fiber cut occur. In addition Molalla Telephone has connectivity to the neighboring exchanges of Canby Telecom, Monitor Telephone and Colton Telephone to exchange traffic and also has connectivity to the LATA Tandem which further provides capabilities of handling traffic. Lastly, Molalla Telephone is prepared and capable of managing traffic spikes resulting from emergency situations and has developed procedures for employees to follow during emergency situations

Response Line 610 - Voice  
Molalla Telephone Company dba Molalla Communications  
Molalla Oregon  
Study Area 532383

**Functionality in Emergency Situations:**

Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) Molalla Telephone Company meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to the Molalla Telephone central office by use of a fixed generator and batteries that provide it with up to 336 hours of emergency power. In addition, Molalla Telephone field electronics have up to 336 hours of back-up power by use of fixed generators and batteries. Molalla Telephone also has DWDM technology deployed in its core fiber optic network that is a self-healing and will automatically reroute traffic should a fiber cut occur. In addition Molalla Telephone has connectivity to the neighboring exchanges of Canby Telecom, Monitor Telephone and Colton Telephone to exchange traffic and also has connectivity to the LATA Tandem which further provides capabilities of handling traffic. Lastly, Molalla Telephone is prepared and capable of managing traffic spikes resulting from emergency situations and has developed procedures for employees to follow during emergency situations

Response to Line 1010  
Molalla Telephone Company  
Study Area 532383

### Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) Molalla Telephone Company. ("MCC") is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of [REDACTED] as specified in Public Notice DA 17-167 issued on February 14, 2017. Molalla Telephone Company's current total local end-user rate<sup>1</sup> of [REDACTED] (which includes a local fee of [REDACTED], mandated state fees of [REDACTED] and mandatory extended area service charges of [REDACTED]) is not above the standard deviation as specified in the USF/ICC Transformation Order.<sup>2</sup>

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<sup>1</sup> Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

<sup>2</sup> USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) "The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average."



<b>FCC Form 481 - Carrier Annual Reporting Data Collection Form</b>	<b>FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013</b>
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<010> Study Area Code	532383
<015> Study Area Name	MOLALLA TEL CO.
<020> Program Year	2018
<030> Contact Name: Person USAC should contact with questions about this data	Terry Simms
<035> Contact Telephone Number: Number of the person identified in data line <030>	5038291122 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	tsimms@molalla.com
Form Type	54.313 and 54.422



**(900) Unfulfilled Service Request  
Data Collection Form**

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

<010> Study Area Code

532383

<015> Study Area Name

MOLALLA TEL. CO.

<020> Program Year

2018

<030> Contact Name - Person USAC should contact regarding this data

Terry Simms

<035> Contact Telephone Number - Number of person identified in data line <030>

5038291122 ext.

<039> Contact Email Address - Email Address of person identified in data line <030>

tsimms@molalla.com

<300> Unfulfilled service request (voice)

0

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband)

0

<330> Detail on attempts (broadband)

Name of Attached Document

(400) Number of Complaints per 1,000 customers  
Data Collection Form

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

<010>	Study Area Code	532383
<015>	Study Area Name	MOLAJLA TEL. CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Terry Simms
<035>	Contact Telephone Number - Number of person identified in data line <030>	5038291122 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tsimms@molajlla.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0.0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0.0
<450>	Complaints per 1000 customers for mobile broadband	

**(500) Compliance With Service Quality Standards and Consumer Protection Rules**  
**Data Collection Form**

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

<010> Study Area Code	532383
<015> Study Area Name	MOLALLA TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Terry Simms
<035> Contact Telephone Number - Number of person identified in data line <030>	5038291122 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tsimms@molalla.com
<500> Certify compliance with applicable service quality standards and consumer protection rules	Yes
<510> Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	532383OR510-Voice.pdf, 532383OR510-Broadband.pdf
<515> Certify compliance with applicable minimum service standards	

**(600) Functionality in Emergency Situations  
Data Collection Form**FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code	532383
<015> Study Area Name	MOLALLA TBL CD.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Terry Simms
<035> Contact Telephone Number - Number of person identified in data line <030>	5038291122 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tsimms@molalla.com
<600> Certify compliance regarding ability to function in emergency situations	Yes
<610> Descriptive document for Functionality in Emergency Situations	532383OR610-Voice.pdf, 532383OR610-Broadband.pdf









**(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 532383  
 <015> Study Area Name MOLALLA TEL CO.  
 <020> Program Year 2018  
 <030> Contact Name - Person USAC should contact regarding this data Terry Simms  
 <035> Contact Telephone Number - Number of person identified in data line <030> 5038291122 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> tsimms@molalla.com

<900> Does the filing entity offer tribal land services? (Y/N) No

<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 PDF, 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

**(1000) Voice and Broadband Service Rate Comparability Data Collection Form**

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

<010> Study Area Code 532383  
 <015> Study Area Name MOLALLA TEL CO.  
 <020> Program Year 2018  
 <030> Contact Name - Person USAC should contact regarding this data Terry Simms  
 <035> Contact Telephone Number - Number of person identified in data line <030> 5038291122 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> tsimms@molalla.com

<1000>	Voice services rate comparability certification	Yes		
<1010>	Attach detailed description for voice services rate comparability compliance		532383or1010.pdf	Name of Attached Document
<1020>	Broadband comparability certification			Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau
<1030>	Attach detailed description for broadband comparability compliance		532383OR1030.pdf	Name of Attached Document

**(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	532383
<015>	Study Area Name	MOLALLA TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Terry Simms
<035>	Contact Telephone Number - Number of person identified in data line <030>	5038291122 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tsimms@molalla.com

<1100> Certify whether terrestrial backhaul options exist (Y/N)

<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 532383

<015> Study Area Name MOLALLIA TEL CO.

<020> Program Year 2018

<030> Contact Name - Person USAC should contact regarding this data Terry Simms

<035> Contact Telephone Number - Number of person identified in data line <030> 5038291122 ext.

<039> Contact Email Address - Email Address of person identified in data line <030> tsimms@molallia.com

Name of Attached Document

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

<1220> Link to Public Website

HTTP <https://www.molallia.com/bylaws.html>

\*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,
- <1222> Details on the number of minutes provided as part of the plan,
- <1223> Additional charges for toll calls, and rates for each such plan.

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

**(2005) Price Cap Carrier Additional Documentation**  
Data Collection Form  
*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

<010> Study Area Code 532383  
 <015> Study Area Name MOLALLA TEL. CO.  
 <020> Program Year 2018  
 <030> Contact Name - Person USAC should contact regarding this data Terry Simms  
 <035> Contact Telephone Number - Number of person identified in data line <030> 5038291122 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> tsimms@molalla.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental 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**

<2011>	3rd Year Certification 47 CFR §54.313(b)(1)(ii) - Note that for the July 2017 certification, this applies to Round 2 recipients of Incremental Support.		
<2022>	Recipient certifies, representing year three after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.		
<2023>	The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year three - 54.313(b)(2)(ii). Round 2 recipients only.		
<2024A>	Round 2 Recipient of Incremental Support?		
<2024B>	Attach list of census blocks indicating where funding was spent in year three - 54.313(b)(2)(ii). Round 2 recipients only.		Name of Attached Document Listing Required Information
<2025A>	Round 2 Recipient of Incremental Support?		
<2025B>	Attach geocoded Information for Phase I milestone reports (Round 2 for year three) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13-73, paragraph 35 (May 22, 2013).		Name of Attached Document Listing Required Information
<2015>	2016 and future Frozen Support Certification 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)}**

<2017A> Connect America Fund Phase II recipient?

<2017C> Total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2016.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(1)(ii)(A)

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(1)(ii)(C)





Name of Attached Document Listing Required Information

<010>	Study Area Code	532383
<015>	Study Area Name	MOLALLA TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Terry Simms
<035>	Contact Telephone Number - Number of person identified in data line <030>	5038291122 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tsimms@molalla.com

Select from the drop down menu or check the boxes below to note compliance with 54.313(f)(1). Privately held carriers must ensure 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.

**Progress Report on 5 Year Plan**  
Carrier certifies to 54.313(f)(1)(iii)

Yes - Attach Certification

(3010A) Certification of Public Interest Obligations (47 CFR § 54.313(f)(1)(i)) 532383OR3010B.pdf

(3010B) Please Provide Attachment Name of Attached Document Listing Required Information

(3012A) Community Anchor Institutions (47 CFR § 54.313(f)(1)(iii)) No - No New Community Anchors

(3012B) Please Provide Attachment Name of Attached Document Listing Required Information

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

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

Please check these boxes to confirm that the attached PDF, 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) with 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 Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, is your company audited? (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 Borrowers

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

(3021) Management letter and/or 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) with Balance Sheet, Income Statement and Statement of Cash Flows

(3026) Attach the worksheet listing required information Name of Attached Document Listing Required Information

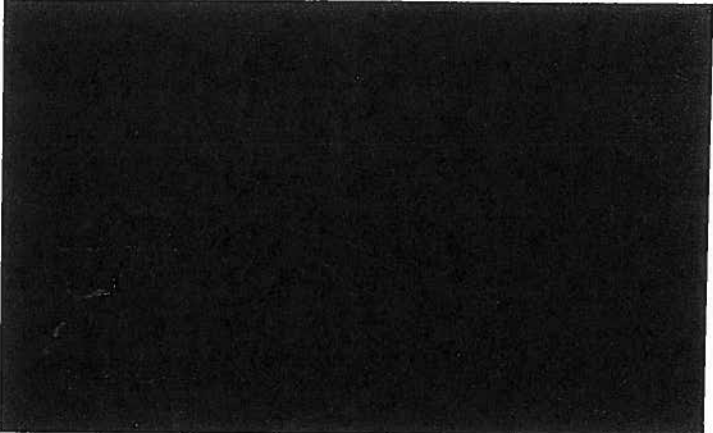


(3005) Rate Of Return Carrier Additional Documentation (Continued)

Data Collection Form

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

<010> Study Area Code 532383  
 <015> Study Area Name MOBILE TEL. CO.  
 <020> Program Year 2018  
 <030> Contact Name - Person USAC should contact regarding this data Terry Simms  
 <035> Contact Telephone Number - Number of person identified in data line <030> 5038291122 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> tsimms@mobile11a.com



Financial Data Summary

- (3027) Revenue
- (3028) Operating Expenses
- (3029) Net Income
- (3030) Telephone Plant In Service(TPIS)
- (3031) Total Assets
- (3032) Total Debt
- (3033) Total Equity
- (3034) Dividends

<010>	Study Area Code	532383
<015>	Study Area Name	MOLALA TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Terry Simms
<035>	Contact Telephone Number - Number of person identified in data line <030>	5038291122 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tsimms@molala.com

**4005 Rural Broadband Experiment**

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

**Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)**

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

**4001.** Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

**Community Anchor Institutions – FCC 14-98 (paragraph 79)**

**4003a.** RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

**4003b.** Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information \_\_\_\_\_

**Broadband Deployment Locations – FCC 14-98 (paragraph 80)**

**4004a.** Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

Name of Attached Document Listing Required Information \_\_\_\_\_

**4004b.** Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.

Name of Attached Document Listing Required Information \_\_\_\_\_

**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	532383
<015> Study Area Name	MOLALLA TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Terry Simms
<035> Contact Telephone Number - Number of person identified in data line <030>	5038291122 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tsimms@molalla.com

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

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
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:	MOLALLA TEL CO.
Signature of Authorized Officer:	CERTIFIED ONLINE <span style="float: right;">Date 06/07/2017</span>
Printed name of Authorized Officer:	Terry Simms
Title or position of Authorized Officer:	Vice President/CFO
Telephone number of Authorized Officer:	5038291122 ext.
Study Area Code of Reporting Carrier:	532383 <span style="float: right;">Filing Due Date for this form: 07/03/2017</span>
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.	

<b>Certification - Agent / Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<b>&lt;010&gt; Study Area Code</b>	532383
<b>&lt;015&gt; Study Area Name</b>	MOLALLA TEL CO.
<b>&lt;020&gt; Program Year</b>	2018
<b>&lt;030&gt; Contact Name - Person USAC should contact regarding this data</b>	Terry Simms
<b>&lt;035&gt; Contact Telephone Number - Number of person identified in data line &lt;030&gt;</b>	5038291122 ext.
<b>&lt;039&gt; Contact Email Address - Email Address of person identified in data line &lt;030&gt;</b>	tsimms@molalla.com

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

<b>Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
<p>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.</p>	
<b>Name of Authorized Agent:</b>	
<b>Name of Reporting Carrier:</b>	
<b>Signature of Authorized Officer:</b>	<b>Date:</b>
<b>Printed name of Authorized Officer:</b>	
<b>Title or position of Authorized Officer:</b>	
<b>Telephone number of Authorized Officer:</b>	
<b>Study Area Code of Reporting Carrier:</b>	<b>Filing Due Date for this form:</b>
<p style="font-size: small;">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.</p>	

**TO BE COMPLETED BY THE AUTHORIZED AGENT:**

<b>Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
<p>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.</p>	
<b>Name of Reporting Carrier:</b>	
<b>Name of Authorized Agent Firm:</b>	
<b>Signature of Authorized Agent or Employee of Agent:</b>	<b>Date:</b>
<b>Name of Authorized Agent Employee:</b>	
<b>Title or position of Authorized Agent or Employee of Agent:</b>	
<b>Telephone number of Authorized Agent or Employee of Agent:</b>	
<b>Study Area Code of Reporting Carrier:</b>	<b>Filing Due Date for this form:</b>
<p style="font-size: small;">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.</p>	

## **Attachments**





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 0572-0031. The time required to complete this information collection is estimated to average 4 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.

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	<i>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.</i> BORROWER NAME Molalla Telephone Company (Prepared with Audited Data)
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<b>INSTRUCTIONS</b> -Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2016	BORROWER DESIGNATION OR0542
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**CERTIFICATION**

*We hereby certify that 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.*

**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.**

**DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII**  
*(Check one of the following)*

All of the obligations under the RUS loan documents have been fulfilled in all material respects.
  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 Telecom Operating Report

Terrance Simms 3/30/2017  
 \_\_\_\_\_ DATE \_\_\_\_\_

PART A. BALANCE SHEET					
	BALANCE	BALANCE		BALANCE	BALANCE
ASSETS	PRIOR YEAR	END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	PRIOR YEAR	END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
18. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity =              % of Total Assets



USDA-RUS

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

OR0542

PERIOD ENDING

December, 2016

INSTRUCTIONS- See RUS Bulletin 1744-2

**PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS**

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
<b>7. Net Operating Revenues (1 thru 5 less 6)</b>		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
<b>14. Total Operating Expenses (8 thru 13)</b>		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
<b>20. Total Operating Taxes (17+18+19)</b>		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
<b>26. Total Fixed Charges (22+23+24-25)</b>		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
<b>31. Total Net Income or Margins (21+27+28+29+30-26)</b>		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
<b>39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]</b>		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
<b>43. Patronage Capital End-of-Year (40+41-42)</b>		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

USDA-RUS

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

OR0542

PERIOD ENDED

December, 2016

INSTRUCTIONS -- See help in the online application.

**PART I -- STATEMENT OF CASH FLOWS**

**1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)**

**CASH FLOWS FROM OPERATING ACTIVITIES**

**2. Net Income**

*Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities*

**3. Add: Depreciation**

**4. Add: Amortization**

**5. Other (Explain)**

*Changes in Operating Assets and Liabilities*

**6. Decrease/(Increase) in Accounts Receivable**

**7. Decrease/(Increase) in Materials and Inventory**

**8. Decrease/(Increase) in Prepayments and Deferred Charges**

**9. Decrease/(Increase) in Other Current Assets**

**10. Increase/(Decrease) in Accounts Payable**

**11. Increase/(Decrease) in Advance Billings & Payments**

**12. Increase/(Decrease) in Other Current Liabilities**

**13. Net Cash Provided/(Used) by Operations**

**CASH FLOWS FROM FINANCING ACTIVITIES**

**14. Decrease/(Increase) in Notes Receivable**

**15. Increase/(Decrease) in Notes Payable**

**16. Increase/(Decrease) in Customer Deposits**

**17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)**

**18. Increase/(Decrease) in Other Liabilities & Deferred Credits**

**19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital**

**20. Less: Payment of Dividends**

**21. Less: Patronage Capital Credits Retired**

**22. Other (Explain)**

**23. Net Cash Provided/(Used) by Financing Activities**

**CASH FLOWS FROM INVESTING ACTIVITIES**

**24. Net Capital Expenditures (Property, Plant & Equipment)**

**25. Other Long-Term Investments**

**26. Other Noncurrent Assets & Jurisdictional Differences**

**27. Other (Explain)**

**28. Net Cash Provided/(Used) by Investing Activities**

**29. Net Increase/(Decrease) in Cash**

**30. Ending Cash**

Response to Line 3010B  
MOLALLA TELEPHONE COMPANY  
Study Area 532383

### **Milestone Certification**

Pursuant to 47 C.F.R. § 54.202(a) MOLALLA TELEPHONE COMPANY (“MCC”) provides this certification that it is taking reasonable steps to provide upon reasonable request broadband speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to offerings in urban areas as determined in an annual survey as specified in Public Notice DA 15-470, and that requests for such service are met within a reasonable amount of time. Details for how MCC is meeting its obligations for broadband goals and required obligations are specified within the FCC Form 481 annual filing.