

DOCKET NO. UM 1768

**Cover Sheet for Submission of
2016 Annual ETC Certification Reports**

Name of Eligible Telecommunications Carrier: North-State Tele[phone Co

Filing date: 6/29/2016

Is this: Original submission? X

OR

Revised submission? _____

Person to contact for questions:

Name Delinda Kluser

Phone number 541-932-4411

E-mail address dkluser@ortlco.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)) – if separate from Form 481

X 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, 2016. 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.

Deedee Kluser

From: Form481@usac.org
Sent: Wednesday, June 29, 2016 8:40 AM
To: dkluser@ortelco.net
Subject: Form 481 Certification Confirmation



Form 481 Certification Confirmation

Congratulations. Your filing has been successfully certified.

Filing Number: 1

Certification Date and Time: Wed Jun 29 11:40:11 EDT 2016

Filing Created By: dkluser@ortelco.net

SAC: 532388

498 ID: 143002629

Carrier: NORTH STATE TEL CO.

Program Year: 2017

This is a system generated email.
Please do not respond to this message.

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USAC | 2000 L Street NW | Suite 200 | Washington, DC 20036



[USAC Home](#) | [High Cost Program](#) | [Search Tools](#) | [Form 481](#)

CONFIRMATION

Congratulations. Your filing has been successfully certified.

Filing 1 was successfully certified on Wed 29 Jun 16 11:27:04 AM EDT by dkluser@ortelco.net .

SAC : 532388

498 ID : 143002629

Carrier Name : NORTH STATE TEL CO.

Program Year : 2017

A confirmation email will be sent to the email address on record for your user ID. Please email USAC at HCCERTS@USAC.ORG if you do not receive this email within 24 hours.

Please take this quick survey and give us your thoughts! Your feedback will help improve the filing process. [Take Survey!](#)

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FCC Form 481 - Carrier Annual Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0076/OMB Control No. 3050-0019
July 2013

<010>	Study Area Code	532388
<015>	Study Area Name	NORTH STATE TEL CO.
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Delinda Kluser
<035>	Contact Telephone Number: Number of the person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	dklusersortelco.net
	Form Type	54.313 and 54.422

(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 532388
 <015> Study Area Name NORTH STATE TEL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Kluser
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

<110> Has your company received its ETC certification from the FCC? (yes / no)
 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)

If your answer to Line <111> is yes, please 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 CEFC which only receives frozen support, your progress report is only required to address voice telephony service.
 532388OR112.pdf

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

Yes
Yes
Yes
Yes
Yes
Yes

(200) Service Outage Reporting (Voice)
 Data Collection Form

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

<010> Study Area Code 532388
 <015> Study Area Name NORTH STATE TEL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Kluser
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

<210> For the prior calendar year, were there any reportable voice service outages? No

<220>

<a> NORS Reference Number	<b1> Outage Start Date	<b2> Outage Start Time	<b3> Outage End Date	<b4> Outage End Time	<c1> Number of Customers Affected	<c2> Total Number of Customers	<d> 911 Facilities Affected (Yes / No)	<e> Service Outage Description (Check all that apply)	<f> Did This Outage Affect Multiple Study Areas (Yes / No)	<g> Service Outage Resolution	<h> Preventative Procedures

**{300} Unfulfilled Service Request
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0386/OMB Control No. 3060-0819
July 2013

<010> Study Area Code

522388

<015> Study Area Name

NORTH STATE TEL CO.

<020> Program Year

2017

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

Delinda Kluser

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

5419324411 ext.

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

dkluser@nxtre1.co.net

<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 Jan 2013
--	--

<010>	Study Area Code	532348
<015>	Study Area Name	NORTH STATE TEL CO.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	541952443: ext
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net
<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

PLC Form 481
 OMB Control No. 3060-0966/OMB Control No. 3060-0619
 July 2013

<010>	Study Area Code	512288
<015>	Study Area Name	NORTH STAKE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes

<510> Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance 512388CR510.pdf

**(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	U32388
<015>	Study Area Name	NORTH STATE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Dwinda Klueger
<035>	Contact Telephone Number - Number of person identified in data line <030>	+419324411 ext
<039>	Contact Email Address - Email Address of person identified in data line <030>	sklueger@ntelco.net
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	53218P06A10.pdf

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

FCC Form 481

OMB Control No. 3050-0086/OMB Control No. 3050-0819
July 2013

<010> Study Area Code 532388
 <015> Study Area Name NORTH STATE TEL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Kluser
 <035> Contact Telephone Number - Number of person identified in data line <030> 541932411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

<711>	<01>	<02>	<03>	<04>	<05>	<06>	<07>	<08>	<09>	<10>	<11>	<12>	<13>	<14>	
State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rate and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)							
									See attached worksheet						

**(800) Operating Companies
Data Collection Form**

FCC Form 487
OMB Cont of No. 3060-0086 / OMB Cont of No. 3000-0819
July 2013

<010> Study Area Code 532388
 <015> Study Area Name NORTH STATE TEL CO
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Kluser
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419224411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dk1user@ortelco.net

<810> Reporting Carrier North-State Telephone Co
 <811> Holding Company Oregon Telephone Corp
 <812> Operating Company N/A

<813>	<81>	<82>	<83>
Affiliates	SAC	Doing Business As Company or Brand Designation	
-- See attached worksheet --			

(900) Tribal Lands Reporting Data Collection Form

ETC Form 481
CAME Control No. 3060-0786/OMB Control No. 3050-0811
July 2013

<010> Study Area Code 532388
 <015> Study Area Name NORTH STATE TEL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Kluser
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

<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 document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

Select Yes or No or Not Applicable

- <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.

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

FCC Form 481

OMB Control No. 3060-0986 / OMB Control No. 3060-0319
July 2013

<010> Study Area Code 532388
 <015> Study Area Name NORTH STATE TEL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Klueer
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> aktueer@ortelco.net

<1000>

Voice services rate comparability certification

Yes

<1010>

Attach detailed description for voice services rate comparability compliance

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

Name of Attached Document

<1030>

Attach detailed description for broadband comparability compliance

**(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 532168

<015> Study Area Name NORTH STATE TEL CO.

<020> Program Year 2017

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

<035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.

<039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortel.co.net

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

Yes

<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
Data Collection Form**

FCC Form 461
OMB Control No. 3060-0986, OMB Control No. 3060-0819
July 2013

<010> Study Area Code 522388
 <015> Study Area Name NORTH STATE TEL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data DeLinda Kluser
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

532388OR1222.docx

Name of Attached Document

HTTP <http://www.puc.state.or.us/Pages/rspdf/otap.aspx>

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

<1220> Link to Public Website

"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.

(A) Price Cap Carrier Additional Documentation
Data Collection Form

Including Rates of Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 461

OMB Control No. 3010-0306/001 B Control No. 3060-3819
 July 2013

<010> Study Area Code 52388
 <015> Study Area Name NORTH STATE TEL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Klusee
 <035> Contact Telephone Number - Number of person identified in data line <030> 541924411 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dklusee@ortelco.net

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

- <2010> 2nd Year Certification 47 CFR § 54.313(b)(1)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support
- <2011> 3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support

- <2022> Recipient certifies, representing year two 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 two - 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 two - 54.313(b)(2)(ii). Round 2 recipients only.

- <2025A> Round 1 or Round 2 Recipient of Incremental Support?

- <2025B> Attach geocoded information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund, WC Docket 10-90, Report and Order, FCC 13-

- <2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Name of Attached Document Listing
 Required Information

Name of Attached Document Listing
 Required Information

(c)(3) Price Cap Carrier Additional Documentation (Continued)

Data Collection Form

Including Rates of Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3170-0346, OMB Control No. 3480-0319
July 2013

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?

<2017B> Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

Name of Attached Document Listing Required Information

cap carrier used for capital expenditures in 2015.

<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)(2)(ii)

Name of Attached Document Listing Required Information

<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)(2)(v)

<2020> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

<2021> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

<2026> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

<2027> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)

<010>	Study Area Code	532388
<015>	Study Area Name	NORTH STATE TEL CO.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

Complete the items below to note compliance with 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.

(3009) Progress Report on 5 Year Plan
 Carrier certifies to 54.313(f)(1)(iii)

(3010A) Milestone Certification (47 CFR § 54.313(f)(1)(i)) Yes Attach Certification

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

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

(3020) (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers 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) for Balance Sheet, Income Statement and Statement of Cash Flows

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

(3008) State of Missouri Certificate of Additional Documentation (Continued)
 Data Collection Form

FLS Form 481
 OMB Control No. 5010-0045/OMB Control No. 3009-3819
 July 2013

<010> Study Area Code 532388
 <015> Study Area Name NORTH STATE TBL CO.
 <020> Program Year 2017
 <030> Contact Name - Person USAC should contact regarding this data Delinda Kluser
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 EXT.
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@sttelco.net

Financial Data Summary

(3027) Revenue	2039598
(3028) Operating Expenses	1233182
(3029) Net Income	95169
(3030) Telephone Plant In Service(TPIS)	12299758
(3031) Total Assets	15406458
(3032) Total Debt	10809583
(3033) Total Equity	3063859
(3034) Dividends	0

(4005) Rural Broadband Experiment Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0817 July 2013
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<010>	Study Area Code	532288
<015>	Study Area Name	NORTH STATE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Linda Klusek
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324423 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dklusek@nortelco.net

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	532388
<015>	Study Area Name	NORTH STATE TEL CO.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.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:	NORTH STATE TEL CO.
Signature of Authorized Officer:	CERTIFIED ONLINE Date 06/29/2016
Printed name of Authorized Officer:	Delinda Kluser
Title or position of Authorized Officer:	Vice-Pres, Manager
Telephone number of Authorized Officer:	5419324411 ext.
Study Area Code of Reporting Carrier:	532388 Filing Due Date for this form: 07/01/2016
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 432 OMB Control No. 3060-0985/OMB Control No. 3060-0319 July 2011
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<010>	Study Area Code	532368
<015>	Study Area Name	NORTH STATE TEL CO.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

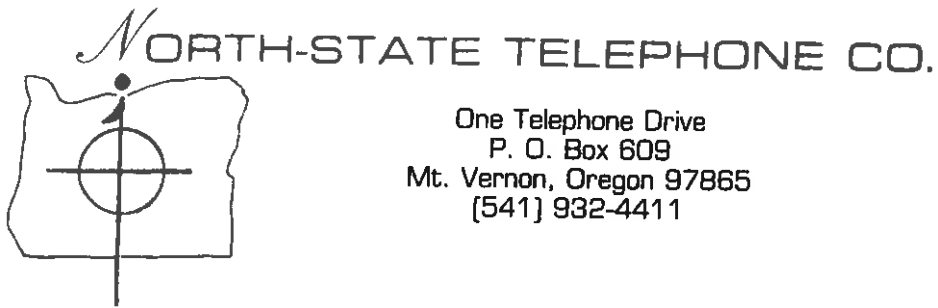
TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

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 Firm: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Name of Authorized Agent Employee: _____	
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



One Telephone Drive
P. O. Box 609
Mt. Vernon, Oregon 97865
(541) 932-4411

Date: June 8, 2016

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

**Re: WC Docket No. 14-58, 2016 Annual Report, Form 481 for High-Cost Recipient
54.313(f)(1)(i) "Milestone Certification"**

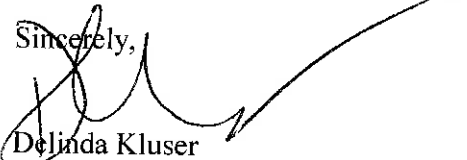
Dear Ms Dortch:

In compliance with the filing requirements associated with, and attached to Form 481, we wish to advise the Commission that North-State Telephone Co. provides High Speed Internet service to its customers and:

- Has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 10 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;
- That reasonable requests for service are met within a reasonable timeframe.

If there are questions, I may be contacted at 541-932-4411.

Sincerely,


Delinda Kluser
Vice-Pres, Manager

[Type text]

North-State Telephone Co.
2016
PROGRESS REPORT ON SERVICE QUALITY IMPROVEMENT PLAN

PREAMBLE

This document is an integral part of the Company's 2016 Annual Report, as attached to Form 481. It is in compliance with §54.313(a)(1) adopted in the FCC's USF/ICC Transformation Order (11-161) and incorporates all further clarifications identified in subsequent Reconsideration Orders, as applicable, that were in effect at the time the Annual Report was due by Rule to the requisite regulatory authorities.

North-State Telephone Co. (North-State) advises that the environment in which the Company operates is dynamic, not static. As a result, certain network targets identified in its initial 5 Year Network Improvement Plan, filed in 2014, may be modified in response to regulatory decisions that have been subsequently adopted, and as their implication upon the Company's financial viability in providing the required services and service level quality became known.

Modifications to the network plan may also have been taken due to changes in technology, vendor-driven support, weather, or emergency related contingencies.

Targets not met or changed since the initial 5 Year Plan filing are identified and reasons provided for those changes.

UNIVERSAL SERVICE SUPPORT RECEIVED IN 2015

Per the Universal Service Administrative Company (USAC), as available for the period up to this filing, North-State has received a total of \$1,236,150 for 2015 (as of 06/09/16). The breakdown of the funding for the year is:

- \$808,203 High Cost Loop Support
- \$ 67,296 Connect America Fund-Intercarrier Compensation Support
- \$360,612 Interstate Common Line Support
- \$ 39 Safety Net Additive

Universal Service Support funds are used to: 1) maintain, upgrade, and improve the Company's network and, 2) cover operating expenses and debt commitments as necessary to permit it to offer a high level of service for both voice and broadband within the authorized serving area.

USF support will continue to be included in the Company's current revenue accounts and forward-looking projections. Revenues, in the aggregate, are used for both capital expenditures as well as to cover operating expenses and fixed costs incurred to obtain capital from lenders. The Company does not segregate USF separately for purposes of capital and

operating expenditures; USF is expended in the same proportion as the Company's aggregated revenue amount.

The proportionate share of USF expenditures in 2015 for CAPEX was \$239,796 (16%); for OPEX \$1,233,184 (84%).

In the accompanying 2015 project detail, expenditures for network improvements sometimes involve service quality, coverage and capacity as an integrated improvement project and are not mutually exclusive from one another. In terms of cost, projects involving multiple qualifiers are of equal dollar equivalence. Where a project involves a single qualifier, it is so noted.

PROGRESS REPORT

2015

Vehicles: In 2015 the Company planned to replace one service truck. Because the Company's service area is so large, by necessity significant miles (an average of 30,000 annually) are put on service trucks in order to serve subscribers. To ensure the safety of employees as well as ensuring serviceable vehicles, the Company replaces most fleet vehicles every six years. The cost of the vehicle was \$41,783.

Upgrade Switch and Network: The switch cards allow for more functionality, ease of software upgrades and increased capacity. The virtualization of the network allows for increased service quality. In the event of an emergency, staff technicians can access the network from anywhere to resolve the issue quickly. The cost of these upgrades was \$76,195.

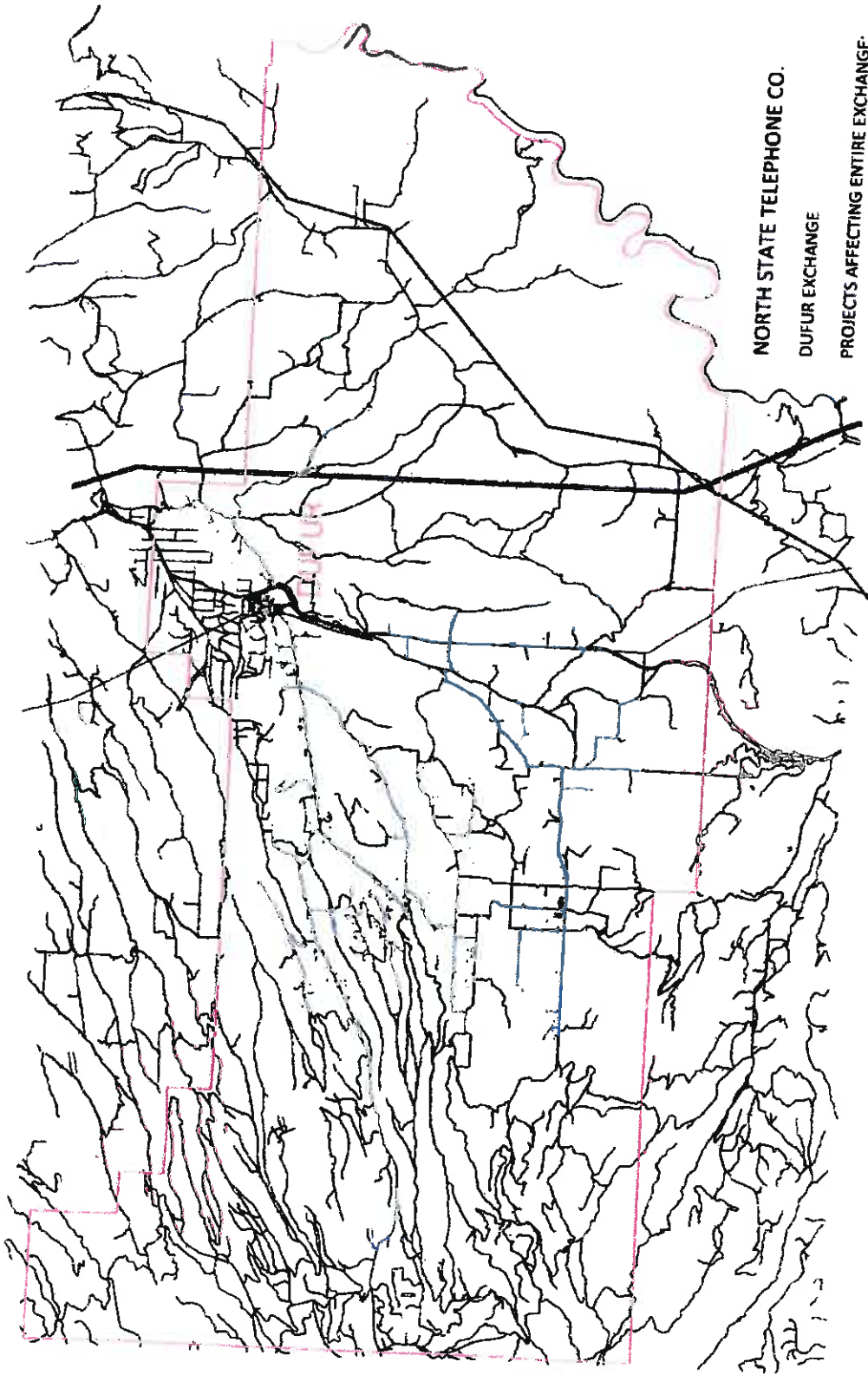
Network Fiber Overblow: In order to increase network capacity additional fiber was necessary. Additional fiber was placed into existing conduit to add capacity. The cost of this project was \$121,818.

**NETWORK IMPROVEMENT PROJECTS-PROGRESS REPORT
AS OF 2015 ANNUAL REPORT SUBMISSION - JULY 1, 2016**

0:124201/NET FOR 2017 PROGRAM YEAR/NETS-SAVE-481 NETWORK UPGRADE DETAILS - 06/1/2015

MAP REF.	WIRE CENTER NAME & CLU		DESCRIPTION OF IMPROVEMENT	PURPOSE	COST		ACTUAL COST	REGULATED % ALLOCATION	AMOUNT IN USE SUPPORT AREA FSCYE	% VOICE	% BROADBAND	AREA IMPACTED	POPULATION IMPACTED	TARGET COMPLETION DATE	ACTUAL COMPLETION DATE	Notes
	A	B			ESTIMATE	D								DATE	DATE	
	2015															
	Wire Center Name & CLU															
	Dufur, DUFURWADSO		Network Fiber Overblow Service Truck Upgrade Switch PIC Cards Upgrade Virtualization Network	Service Quality and Capacity General Service Quality and Capacity Service Quality and Capacity	\$135,000 \$35,000 \$100,000 \$11,000	\$123,818 \$41,783 \$64,646 \$11,549	100% 100% 100% 100%	\$135,000 \$35,000 \$100,000 \$11,000	50% 50% 50% 50%	50% 50% 50% 50%	325 sq miles 325 sq miles 325 sq miles 325 sq miles	391 391 391 391	9/1/2015 4/1/2015	12/1/2015 11/1/2015 5/1/2015 2/1/2015		
NOTES																
2015 TOTAL PROJECTS																\$281,000

1. Project moved to 2016 as result of acceleration of above projects.



NORTH STATE TELEPHONE CO.

DUFUR EXCHANGE

PROJECTS AFFECTING ENTIRE EXCHANGE:

BACKUP POWER REPLACEMENT

UPGRADE SWITCH PIC CARDS

UPGRADE VIRTUALIZATION NETWORK

SCALE: 1 INCH = 4 MILES

Service Quality Standards & Consumer Protection Rules Compliance

Study Area Code	532388
Study Area Name	North-State Telephone Co
Program Year	2017
Contact Name	Delinda Kluser
Contact Telephone Number	541 932 4411
Contact E-Mail Address	dkluser@ortelco.net

Consumer Protection**Voice and Broadband**

North-State Telephone Co. 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**

North-State Telephone Co. 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

North-State Telephone Co follows the service standards noted in NECA Tariff #5 and is committed to provide the highest quality service to its broadband customers.

Functionality in Emergency Situations
Study Area Code

532388

Study Area Name North-State Telephone Co

Program Year 2017

Contact Name Delinda Kluser

Contact Telephone Number 541 932 4411

Contact E-Mail Address dkluser@ortelco.net

<u>Exchange</u>	<u>Site Name</u>	<u>Battery Ah</u>	<u>Est Battery Life</u>	<u>Backup P</u>	<u>Fuel Type</u>	<u>Capacity</u>	<u>Est Run Time</u>
Dufur	Dufur CO	170 Ah	11 hrs	Generator	Propane	250 gal	100 hrs
Dufur	Dufur Valley Calix ODC-1000	170 Ah	15 hrs	N/A	N/A	N/A	N/A
Dufur	Friend Calix ODC-1000	170 Ah	15 hrs	N/A	N/A	N/A	N/A
Dufur	Adtran	50 Ah	7 hrs	N/A	N/A	N/A	N/A
The_Dalles	E7_2 City_Hall	170 Ah	11 hrs	Generator	Natural gas fed	N/A	Indefinite
Portland	The_Pittock_E7-2	170 Ah	11 hrs	Generator	Natural gas fed	N/A	Indefinite
Dufur	Calix ONTs	7.2 Ah	8 hrs	N/A	N/A	N/A	N/A

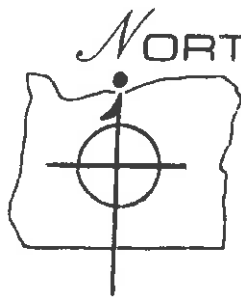
1200

Terms and Conditions for Lifeline
Customers

Study Area Code	532388
Study Area Name	NORTH-STATE TELEPHONE CO
Program Year	2017
Contact Name	DELINDA KLUSER
Contact Telephone Number	541 932 4411
Contact E-Mail Address	dkluser@ortelco.net

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 North-State Telephone subscriber, are free to choose their own toll usage plans through IXCs that serve North-State Telephone Co.



*N*ORTH-STATE TELEPHONE CO.

One Telephone Drive
P. O. Box 609
Mt. Vernon, Oregon 97865
[541] 932-4411

Date: June 8, 2016

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

**Re: WC Docket No. 14-58, 2016 Annual Report, Form 481 for High-Cost Recipient
54.313(f)(1)(i) "Milestone Certification"**


Dear Ms Dortch:

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- That reasonable requests for service are met within a reasonable timeframe.

If there are questions, I may be contacted at 541-932-4411.

Sincerely,


Delinda Kluser
Vice-Pres. Manager

[Type text]

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.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 USC 901 et seq and, subject to federal laws and regulations regarding confidential information, will be treated as confidential</i>	
	BORROWER NAME North-State Telephone Co.	

INSTRUCTIONS: 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, 2015	BORROWER DESIGNATION OR0532
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CERTIFICATION

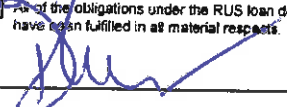
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

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

 3/29/16
 DATE

PART A. BALANCE SHEET

ASSETS	BALANCE	BALANCE	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE	BALANCE
	PRIOR YEAR	END OF PERIOD		PRIOR YEAR	END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	4,049,618	905,606	25. Accounts Payable	100,211	92,159
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments	30,060	30,060
a. Telecom, Accounts Receivable	35,104	31,698	28. Customer Deposits	1,365	2,105
b. Other Accounts Receivable	0		29. Current Mat. L/T Debt	472,584	489,011
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	116,918	273,957	33. Other Taxes Accrued	92,960	79,340
c. Notes Receivable	0		34. Other Current Liabilities		
5. Interest and Dividends Receivable	0		35. Total Current Liabilities (25 thru 34)	697,180	692,675
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated	369	437	36. Funded Debt-RUS Notes	6,759,380	6,330,220
8. Prepayments	104,180	41,026	37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)	4,306,189	1,252,724	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development	6,519,687	6,519,386	42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease	104,348	91,761
12. Other Investments			44. Adv. From Affiliated Companies	2,603,798	2,603,798
a. Rural Development			45. Other Long-Term Debt	4,174,010	1,091,129
b. Nonrural Development	11,000	11,000	46. Total Long-Term Debt (36 thru 45)	13,641,536	10,116,908
13. Nonregulated Investments	85,026	36,105	OTHER LIAB. & DEF CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities	42,839	192,740
15. Deferred Charges			48. Other Deferred Credits	1,372,390	1,340,276
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	6,615,703	6,566,491	50. Total Other Liabilities and Deferred Credits (47 thru 49)	1,415,229	1,533,016
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service	12,059,962	12,299,758	51. Cap. Stock Outstand. & Subscribed	1,251,010	1,251,010
19. Property Held for Future Use			52. Additional Paid-in-Capital	2,150	2,150
20. Plant Under Construction			53. Treasury Stock	(1,347,850)	(1,347,850)
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	4,259,219	4,712,515	55. Other Capital		
23. Net Plant (18 thru 21 less 22)	7,800,743	7,587,243	56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	3,063,380	3,158,549
	18,722,635	15,406,458	58. Total Equity (51 thru 57)	2,968,690	3,063,859
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	18,722,635	15,406,458

Total Equity = 19.89% % of Total Assets

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

OR0532

PERIOD ENDING

December, 2015

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	104,842	99,990
2. Network Access Services Revenues	1,716,916	1,749,391
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues	9,396	10,086
5. Miscellaneous Revenues	30,634	180,795
6. Uncollectible Revenues	485	664
7. Net Operating Revenues (1 thru 5 less 6)	1,861,303	2,039,598
8. Plant Specific Operations Expense	205,252	242,583
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	66,094	59,274
10. Depreciation Expense	448,250	453,295
11. Amortization Expense		
12. Customer Operations Expense	34,390	31,938
13. Corporate Operations Expense	377,181	446,092
14. Total Operating Expenses (8 thru 13)	1,131,167	1,233,182
15. Operating Income or Margins (7 less 14)	730,136	806,416
16. Other Operating Income and Expenses	1,006	1,084
17. State and Local Taxes	6,934	13,707
18. Federal Income Taxes	98,995	117,398
19. Other Taxes	144,057	121,991
20. Total Operating Taxes (17+18+19)	249,986	253,096
21. Net Operating Income or Margins (15+16-20)	481,156	554,404
22. Interest on Funded Debt	452,683	596,318
23. Interest Expense - Capital Leases		
24. Other Interest Expense	1	
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)	452,684	596,318
27. Nonoperating Net Income	190,796	213,387
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	(64,464)	(76,304)
31. Total Net Income or Margins (21+27+28+29+30-26)	154,804	95,169
32. Total Taxes Based on Income	109,797	135,670
33. Retained Earnings or Margins Beginning-of-Year	2,908,577	3,063,380
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date	1	
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	3,063,380	3,158,549
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)	0	0
44. Annual Debt Service Payments	870,993	4,138,980
45. Cash Ratio [(14+20-10-11) / 7]	0.5012	0.5065
46. Operating Accrual Ratio [(14+20+26) / 7]	0.9852	1.0211
47. TIER [(31+26) / 26]	1.3420	1.1596
48. DSCR [(31+26+10+11) / 44]	1.2121	0.2766

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

OR0532

PERIOD ENDED

December, 2015

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Dufur	17.40	12.45	87	300	387	320.22	178.64
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			87	300	387	320.22	178.64
No. Exchanges	1						

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

OR0532

PERIOD ENDED

December, 2015

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

4. BROADBAND SERVICE

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Details on Least Expensive Broadband Service					
			Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Dufur	400	273	48	512	256	29.95	StandAlone	Fiber to the Home
Total	400	273						

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

OR0532

PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

PART D. SYSTEM DATA

1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
	0	323	1.20	1.21

PART E. TOLL DATA

1. Study Area ID Code(s) a. 532388 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one)		
	Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis
	Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	41,783
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	198,013
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	239,796

PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development		(302)	6,423,589	95,797	6,519,386
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS
**OPERATING REPORT FOR
 TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

OR0532

PERIOD ENDING

December, 2015

PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)

YES

NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	10.00%
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	7.50%
5. Land and support assets - Buildings	3.10%
6. Land and support assets - Furniture and Office equipment	6.30%
7. Land and support assets - General purpose computers	14.30%
8. Central Office Switching - Digital	12.30%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	9.10%
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	5.60%
19. Cable and wire facilities - Aerial cable - Metal	6.00%
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	5.30%
23. Cable and wire facilities - Buried cable - Metal	4.60%
24. Cable and wire facilities - Buried cable - Fiber	4.80%
25. Cable and wire facilities - Conduit systems	2.10%
26. Cable and wire facilities - Other	

USDA-RUS		BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		OR0532
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2015
PART I – STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		4,049,618
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		95,169
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		453,295
4. Add: Amortization		0
5. Other (Explain) Rounding error		1
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		(153,633)
7. Decrease/(Increase) in Materials and Inventory		(68)
8. Decrease/(Increase) in Prepayments and Deferred Charges		63,154
9. Decrease/(Increase) in Other Current Assets		0
10. Increase/(Decrease) in Accounts Payable		(8,052)
11. Increase/(Decrease) in Advance Billings & Payments		0
12. Increase/(Decrease) in Other Current Liabilities		(13,620)
13. Net Cash Provided/(Used) by Operations		436,246
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		0
15. Increase/(Decrease) in Notes Payable		0
16. Increase/(Decrease) in Customer Deposits		740
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		(3,508,201)
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		117,787
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		0
20. Less: Payment of Dividends		0
21. Less: Patronage Capital Credits Retired		0
22. Other (Explain)		
23. Net Cash Provided/(Used) by Financing Activities		(3,389,674)
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		(239,796)
25. Other Long-Term Investments		49,212
26. Other Noncurrent Assets & Jurisdictional Differences		0
27. Other (Explain)		
28. Net Cash Provided/(Used) by Investing Activities		(190,584)
29. Net Increase/(Decrease) in Cash		(3,144,012)
30. Ending Cash		905,606

Revision Date 2010