

Attachments

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Five-Year Network Improvement Plan Progress Report For
Golden West Telecommunications – Study Area 391667

In its *USF/ICC Transformation Order* and subsequent Orders, the Federal Communications Commission (“FCC” or “Commission”) required Eligible Telecommunications Carriers (“ETCs”) to submit a five-year build-out plan in a manner consistent with Section 54.202(a)(1)(ii) of the Commission’s Rules and to submit annual progress reports thereafter.¹ Golden West Telecommunications, study area 391667, hereinafter “the Company”, is a rate-of-return carrier ETC and hereby submits its annual progress report covering progress made during 2015 on the five-year network improvement plan initially submitted in 2014 and updated in 2015.

I. The Company’s Progress Report on its Five-Year Network Improvement Plan

Pursuant to 47 C.F.R. § 54.313(a)(1), recipients should submit “[a] progress report on its five-year service quality improvement plan pursuant to § 54.202(a), including maps detailing its progress towards meeting its plan targets, an explanation of how much universal service support was received and how it was used to improve service quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled in the prior calendar year. The information shall be submitted at the wire center level or census block as

¹ See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*) at Para. 587; *pets. for review denied, Direct Comm. Cedar Valley, et al v. FCC 11-161*, No. 11-9900 www.ca10.uscourts.gov/opinions/11/11-9900.pdf (10th Cir. filed May 23, 2014); see also *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Order, DA 12-147 (rel. Feb. 12, 2012) at Para. 5 (amending Section 54.313(a)(1) to clarify this requirement); *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Third Order on Reconsideration, FCC 12-52 (rel. May 14, 2012) at Para. 10 (changing the filing deadline for the annual reports from April 1 to July 1); *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Order, DA 13-332 (rel. Mar. 5, 2013) (“*March 5, 2013 Order*”) at Para’s. 4, 6-9. Delaying Five-year Plan until July 1, 2014 see WC Docket No. 10-90, Order, DA 13-1115, Para. 8 (released May 16, 2013).

appropriate. Accordingly, the Company hereby provides the following required elements of its progress report for 2015 to satisfy Form 481 reporting obligations.

A. The Amount of Universal Service Support Received by the Company

Golden West Telecommunications, study area 391667, received a total of [REDACTED] in high cost universal service support (“USF”) in 2015 through the following mechanisms:

- [REDACTED] for Interstate Common Line Support (“ICLS”);
- [REDACTED] for High Cost Loop Support (“HCLS”);
- [REDACTED] for ICC CAF Support;
- [REDACTED] for Safety Net Additive (“SNA”) (if applicable)

B. How USF was Used to Improve Service Quality, Coverage and Capacity

Section 254(e) of the Communications Act of 1934, as amended requires ETCs to use Universal Service support (“USF”) “only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.”² Essentially, under the existing rules and processes, the federal USF received by the Company and other incumbent rural telephone companies are, in fact, an integral part of the recovery of expenditures of rural incumbent local exchange carriers incurred in the provision, maintenance and upgrading of their provision of facilities and services for which the USF is intended. Accordingly, the Company’s plan and progress reports demonstrate how the Company has used and will use USF not only for improvements and upgrades, but also for the provision and maintenance of the facilities and services to which the support was intended.

The Form 481 Instructions require ETCs to indicate that a company’s progress report quantifies how much USF was received for its service area and that the USF is broken out separately

² 47 U.S.C. § 254(e).

by the amount spent on capital expenses and the amount spent on operating expenses.³ Pursuant to these instructions, the Company hereby reports that for calendar year 2015, the Company spent [REDACTED] in CapEx and [REDACTED] in OpEx to improve service quality, coverage and/or capacity. Details regarding these expenditures can be found in **Appendix A** and **Appendix B**. **Appendix A** reflects the major network improvement projects planned for 2015 along with the status of those projects. **Appendix B** reflects the capital expenditures (projects) in **Appendix A**, as well as the operating expenditures, by Part 32 account. The total amount of these expenditures exceeds the amount of federal USF received in 2015.

There is no correlation between these expenditures and the amount of USF that the Company received in 2015. USF disbursement received by the Company and other rural incumbent local exchange companies is divided into three main categories: Interstate Common Line Support (“ICLS”); High Cost Loop Support (“HCLS”); and CAF-ICC Support (“CAF-ICC”). The ICLS received in 2015 was based on annual projected data submitted by the Company on March 31, 2014, which is subject to an annual true-up process based on actual data submitted on December 31, 2016, for the previous calendar year (*i.e.*, 2015). Like ICLS, CAF-ICC support was also based on projected demand submitted on July 1, 2014, which is subject to an annual true-up process based on actual data submitted on July 1, 2015, for the previous tariff year (*i.e.* July 1, 2014 through June 30, 2015). Further, HCLS received by a rural LEC in 2015 was based on December 31, 2013 financials. Quarterly updates could then be based on March 31, 2014, June 30, 2014, and September 30, 2014 financials.

C. 2015 Five-Year Plan Progress Report

³ Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), November 2015, Line 114.

The Company hereby reports that for 2015, it made the progress specified in **Appendix A** and **Appendix B** on meeting targets projected in its five-year network improvement plan and that during 2015, it has used the amount of USF specified under Section II(A) above solely for which the support was intended.

D. Maps Depicting the Company's Network Progress

Attached to this five-year network improvement plan progress report as **Appendix C** is Golden West's map depicting the extent of the Company's network within study area 391667.

E. Network Improvement Targets Not Met

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

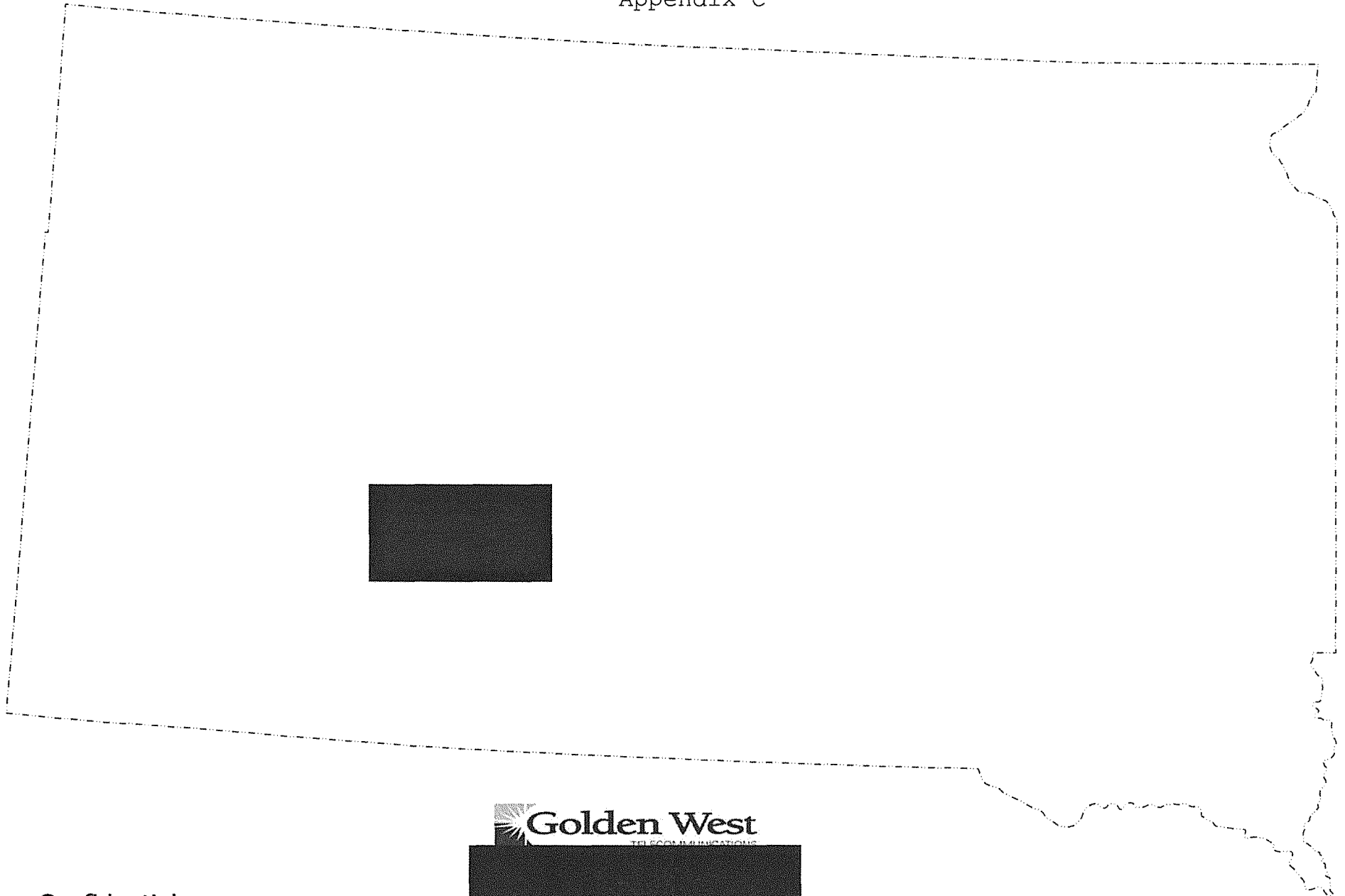
Study Area Code 391667
 Study Area Name Golden West Telecom - Kadoka
 Company Contact Name Jill Reinert
 Contact Telephone Number 605-279-2161
 Contact Email Address jillreinert@goldenwest.com

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APPENDIX A

Project	Start Date	Completion	Areas	Population	Projected Dollars	Part 32 Account	Voice, Broadband, Both, etc.	Status
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Totals					\$ [REDACTED]			

Appendix C



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Certification of Service Quality Standards & Consumer

Protection Rules Compliance for Voice and Broadband Services

Golden West Telecommunications Cooperative, Inc. (hereinafter "the Company") hereby certifies that it is complying with applicable service quality standards and consumer protection rules.

This document details the processes and procedures that the Company follows to ensure compliance with service quality standards and consumer protection rules as laid out in FCC Form 481 Instructions.

The Company provides voice grade access to the public switched telephone network (PSTN) at a flat rate, thereby enabling access to emergency services provided by local government or other public safety organizations such as 911.

For service quality standards that are affected by plant issues, the Company engineers and installs its plant and other facilities in such a way as to ensure, to the greatest extent possible, safe, adequate, and continuous service at all times.

In addition, employees are periodically trained on service quality standards and consumer protection issues. In particular, if any set of issues appear to be prevalent, employees are given briefings on how to handle such issues, beyond the normal guidelines in place for resolution of customer complaints. A recent example is the call completion problems that have arisen and the customer calls that are generated as a result. Although this is not a service quality problem caused by the Company, it does affect customers of the Company and, therefore, deserves the attention of the Company employees.

The Company also periodically reviews its operating procedures to be sure that those operating procedures are in compliance with service quality standards and that the operating procedures are not in violation of consumer protection rules. Internally a compliance officer ensures annual employee training and dictates disciplinary processes for improper use of consumer information. If concerns arise that cannot be handled by the compliance officer, legal counsel is sought to assist with a resolution.

If complaints are filed with the Company related to service quality standards or consumer protection rules, the complaint is immediately investigated, the matter tracked and any corrective action noted. This process ensures that problems are addressed and corrections made.

The Company advertises the availability of its services and the charges using media of general distribution and on its website.

The Company is subject to consumer protection obligations for broadband services under federal law. These obligations include, but are not limited to, the following: public disclosure of accurate information regarding network management practices, performance, and commercial terms of broadband internet access services; as a means of providing sufficient information for consumers to make informed choices regarding use of such services, and for content, application, service and device providers to develop, market, and maintain internet offerings as specified in F.C.C 47 C.F.R. Part 8 §8.3.

The Company maintains six business offices throughout its service area providing customers with access to a customer service representative either in person or via a local telephone number or toll-free telephone number during normal business hours. Customers also have access to the repair service and internet help desk twenty-four hours a day, seven days a week by calling a toll-free number, or by calling one of the business office numbers, which forward to these services after hours.

Certification of Functionality in Emergency Situation

Golden West Telecommunications Cooperative, Inc. (hereinafter “The Company”) hereby certifies that it is able to function in emergency situations as set forth in §54.202(a)(2).¹ The Company’s critical network infrastructure is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations as required by Section 54.202(a)(2). The Company can take reasonable steps to reroute traffic around damaged facilities and manage traffic spikes throughout its network, as emergency situations require.

Specifically, each central office building is supplied with standby generators and battery back-up that enable the central office to keep running until power is restored so long as fuel is available and the facility can be safely accessed, or until reasonable system changes are made to reroute traffic.

The capacity of the Company to function in emergency situations encompasses both voice and broadband.

¹ Section 54.202(a)(2) requires ETCs that are designated by the Commission to “demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.”

Lifeline Terms and Conditions

Golden West Telecommunications Cooperative, Inc. offers Lifeline program-supported service to qualified low-income residential consumers for one telephone line per eligible household. The Lifeline program provides discounts to eligible low-income consumers to help them establish and maintain telephone service. Lifeline assistance lowers the cost of basic, monthly local telephone service. Eligible consumers can receive \$9.25 per month in discounts. In addition, the Federal Universal Service Charge is not assessed to consumers participating in Lifeline. Toll Blocking prevents the placement of all long distance calls for which a subscriber would be charged. Toll blocking is available to eligible consumers at no cost.

Lifeline Program Eligibility Information

Program Based Eligibility

Consumers are eligible for Lifeline if they, one of their dependents or their household participate in one of the following qualifying assistance programs:

- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance (Section 8)
- Supplemental Nutrition Assistance Program (SNAP)
- Medicaid
- National School Lunch Program's Free Lunch Program
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)

Lifeline applicants must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year's statement of benefits from a qualifying state, federal or Tribal program; notice letter of participation in a qualifying state, federal or Tribal program; program participation documents; or another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.

Income Based Eligibility

In addition, consumers are eligible for Lifeline if their household income is at or below 135% of the federal poverty guidelines.

2016 Federal Poverty Guidelines – 135%

Household Size	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$16,038	\$20,034	\$18,455
2	\$21,627	\$27,027	\$24,881
3	\$27,216	\$34,020	\$31,307
4	\$32,805	\$41,013	\$37,733
5	\$38,394	\$48,006	\$44,159
6	\$43,983	\$54,972	\$50,585
7	\$49,586	\$61,992	\$57,011
8	\$55,202	\$69,012	\$63,464
For each additional person, add	\$5,616	\$7,020	\$6,453

Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

Tribal Eligibility

A subscriber who lives on federally recognized Tribal lands and is an eligible resident of Tribal lands is eligible for Tribal Lifeline service or Tribal Link Up if the subscriber, one or more of the subscriber's dependents, or the subscriber's household participates in any of the above-listed qualifying assistance programs or one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs General Assistance; Tribally Administered Temporary Assistance for Needy Families; Head Start (if income eligibility criteria are met); or the Food Distribution Program on Indian Reservations (FDPIR). Tribal subscribers may also qualify if the household income is at or below 135% of the Federal Poverty Guidelines. Subscribers eligible for Tribal Lifeline may receive their basic monthly telephone service at no charge.

Numbers of Minutes-of-Use Provided as Part of Lifeline Program Service

Golden West Telecommunications Cooperative, Inc.'s Voice Lifeline service includes unlimited local minutes-of-use within the toll-free calling area. Golden West Telecommunications Cooperative, Inc.'s Voice Lifeline Plan does not include any free minutes-of-use for toll. Toll is billed at the standard toll rate depending on which interexchange carrier the consumer subscribes to for toll service. As part of the Lifeline service, toll blocking is available to eligible consumers at no cost.

Rates

Subscribers may receive the Lifeline credit on any type or grade of local service, including bundled services that are normally offered by Golden West Telecommunications Cooperative, Inc. Advertised rates do not include any applicable taxes or surcharges.

Recertification of Lifeline Eligibility

Lifeline recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for the Lifeline program will result in termination of the Lifeline recipient's monthly Lifeline discount and de-enrollment from the Lifeline Program.

Additional Lifeline Program Information

The Lifeline program is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined, for purposes of the Lifeline program, as an individual or group of individuals who live together at the same address and share income and expenses. Lifeline is non-transferable. Lifeline is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.



Golden West Telecommunications – Kadoka (SAC 391667)

Response to Line 3010 – Milestone Certification (47 CFR §54.313(f)(1)(i))

Golden West Telecommunications – Kadoka, study area 391667, hereby certifies that throughout 2015, it took reasonable steps to provide upon reasonable request broadband service at actual 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 comparable offerings in urban areas and that requests for such service are met within a reasonable amount of time. If a request for broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream is unreasonable, and offering broadband service at actual speeds of at least 4 Mbps downstream/1 Mbps upstream is reasonable, the Company offers broadband service at actual speeds of at least 4 Mbps downstream/1 Mbps upstream.

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 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Golden West Telecommunications Cooperative, Inc. (Prepared with Audited Data)
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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 SD0508
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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

_____ 4/25/2016
 Denny Law DATE

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
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			LONG-TERM DEBT		
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		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired 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			OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
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

BORROWER DESIGNATION

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

SD0508

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		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
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		
14. Total Operating Expenses (8 thru 13)		
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		
20. Total Operating Taxes (17+18+19)		
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		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29+30-26)		
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		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		
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)		
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 SD0508 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

PART E. TOLL DATA							
1. Study Area ID Code(s) a. _____ b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one) <table style="width:100%;"> <tr> <td style="width:40%;">Interstate:</td> <td style="width:20%;"><input checked="" type="checkbox"/> Average Schedule</td> <td style="width:20%;"><input checked="" type="checkbox"/> Cost Basis</td> </tr> <tr> <td>Intrastate:</td> <td><input checked="" type="checkbox"/> Average Schedule</td> <td><input type="checkbox"/> Cost Basis</td> </tr> </table>	Interstate:	<input checked="" type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis	Intrastate:	<input checked="" type="checkbox"/> Average Schedule	<input type="checkbox"/> Cost Basis
Interstate:	<input checked="" type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis					
Intrastate:	<input checked="" type="checkbox"/> Average Schedule	<input 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	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	██████████
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	██████████

PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development	██████████	██████████	██████████	██████████	██████████

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

BORROWER DESIGNATION
SD0508

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	<input checked="" type="checkbox"/>
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	<input checked="" type="checkbox"/>
4. Land and support assets - Garage and other work equipment	<input checked="" type="checkbox"/>
5. Land and support assets - Buildings	<input checked="" type="checkbox"/>
6. Land and support assets - Furniture and Office equipment	<input checked="" type="checkbox"/>
7. Land and support assets - General purpose computers	<input checked="" type="checkbox"/>
8. Central Office Switching - Digital	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
13. Information origination/termination - Station apparatus	<input checked="" type="checkbox"/>
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	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	<input checked="" type="checkbox"/>
22. Cable and wire facilities - Underground cable - Fiber	<input checked="" type="checkbox"/>
23. Cable and wire facilities - Buried cable - Metal	<input checked="" type="checkbox"/>
24. Cable and wire facilities - Buried cable - Fiber	<input checked="" type="checkbox"/>
25. Cable and wire facilities - Conduit systems	<input checked="" type="checkbox"/>
26. Cable and wire facilities - Other	

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		SD0508	
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)			
CASH FLOWS FROM OPERATING ACTIVITIES			
2. Net Income			
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>			
3. Add: Depreciation			
4. Add: Amortization			
5. Other (Explain)			
<i>Changes in Operating Assets and Liabilities</i>			
6. Decrease/(Increase) in Accounts Receivable			
7. Decrease/(Increase) in Materials and Inventory			
8. Decrease/(Increase) in 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			

Revision Date 2010

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NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION SD0508
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	