GVNW CONSULTING, INC.

1001 WATER STREET
SUITE A-100
KERRVILLE, TX 78028
TEL 830.896.5200
FAX 830.896.5202
www.gvnw.com

June 29, 2017

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

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

Re: Confidential Financial Information Subject to Protective Order Before the Federal Communications Commission., and requesting Confidential treatment for financial information pursuant to §§ 0.457 and 0.459 of the Commission's rules. Form 481 – Carrier Annual Reporting Data Collection, 2017.
WC 14-58.

Dear Ms. Dortch:

On behalf of Ganado Telephone Company, Inc. ("Ganado"), GVNW Consulting, Inc. hereby submits the attached redacted and confidential versions of its "FCC Form 481 – Carrier Annual Reporting Data Collection" information pursuant to §§ 54.313 and 54.422 of the Commission's rules, as filed with the Universal Service Administrative Company. A copy is also being submitted to the Public Utilities Commission of Texas.

Ganado requests confidential treatment under the Protective Order adopted in this proceeding for the § 54.313(f)(2) financial information included in this report on the grounds that it is competitively sensitive information that is secure from public access and this information should not be released publicly for inspection as it could be used to disadvantage or harm Ganado. In addition, Ganado is requesting confidential treatment pursuant to §§ 0.457 and 0.459 of the Commission's rules for the Five-Year Build-Out Plan Progress Report and Map that is required by § 54.313(a)(1) to be attached to this report.

In accordance with the Protective Order, one redacted copy marked "REDACTED – FOR PUBLIC INSPECTION" and one non-redacted confidential version marked "CONFIDENTIAL FINANCIAL INFORMATION – SUBJECT TO A PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION are being filed with the Commission. The redacted copy will be filed *via* the Electronic Comment Filing System.

If you have any questions, please contact me at sgatto@gvnw.com or 830-895-7226.

Sincerely,

Stephen Gatto

REDACTED - FOR PUBLIC INSPECTION

FCC Form 481 - Carrier Annual Reporting Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name: Person USAC should contact with questions about this data	Bill Rakowitz
<035>	Contact Telephone Number: Number of the person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	bill@ykc.com
	Form Type	54.313 and 54.422

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(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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<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

REDACTED - FOR PUBLIC INSPECTION

(300) 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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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	442076tx510.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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	442076tx610.pdf

(700) Price Offerings including Voice Rate Data
Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<701>	Residential Local Service Charge Effective Date	1/1/2017
<702>	Single State-wide Residential Local Service Charge	

<703>

<a1>	<a2>	<a3>	<b1>	<b2>	<b3>	<b4>	<b5>	<c>
State	**Exchange (ILEC)**	**SAC (CETC)**	**Rate Type**	**Residential Local Service Rate**	**State Subscriber Line Charge**	**State Universal Service Fee**	**Mandatory Extended Area Service Charge**	**Total per line Rates and Fees**

-- See attached worksheet --

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(710) Broadbrand Price Offerings
Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<711>

<a1>	<a2>	<b1>	<b2>	<c>	<d1>	<d2>	<d3>	<d4>
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 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<810>	Reporting Carrier	Ganado Telephone Company, Inc.
<811>	Holding Company	Ganado Telephone Company, Inc.
<812>	Operating Company	Ganado Telephone Company, Inc.

<813>	<a1>	<a2>	<a3>
	Affiliates	**SAC**	**Doing Business As Company or Brand Designation**

-- See attached worksheet --

(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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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:

		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.	

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(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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<1000>	Voice services rate comparability certification	Yes
<1010>	Attach detailed description for voice services rate comparability compliance	442076tx1010.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	442076tx1030.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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<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).	

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(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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

442076tx1210.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP

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

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ✔

<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. ✔

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

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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)

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

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

<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)

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)(1)(ii)(C)

(3005) Rate Of Return Carrier Additional Documentation
Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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		
(3009)	Carrier certifies to 54.313(f)(1)(iii)	Yes - Attach Certification	
(3010A)	Certification of Public Interest Obligations {47 CFR § 54.313(f)(1)(i)}		442076tx3010b.pdf
(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)	
	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	442076tx3017.pdf
(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

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<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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

[redacted]

Name of Attached Document Listing Required Information

(4005) Rural Broadband Experiment Additional Documentation Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.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 _____

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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	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

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:

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.

REDACTED - FOR PUBLIC INSPECTION

Certification - Agent / Carrier
Data Collection Form

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

<010>	Study Area Code	442076
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<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

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) GVNW Consulting, Inc. **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: GVNW Consulting, Inc.

Name of Reporting Carrier: GANADO TELEPHONE CO

Signature of Authorized Officer: CERTIFIED ONLINE Date: 06/19/2017

Printed name of Authorized Officer: Bill Rakowitz

Title or position of Authorized Officer: General Manager

Telephone number of Authorized Officer: 3617714107 ext.107

Study Area Code of Reporting Carrier: 442076 Filing Due Date for this form: 07/03/2017

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: GANADO TELEPHONE CO

Name of Authorized Agent Firm: GVNW Consulting, Inc.

Signature of Authorized Agent or Employee of Agent: CERTIFIED ONLINE Date: 06/19/2017

Name of Authorized Agent Employee: Stephen Gatto

Title or position of Authorized Agent or Employee of Agent Consultant

Telephone number of Authorized Agent or Employee of Agent: 8308957225 ext.

Study Area Code of Reporting Carrier: 442076 Filing Due Date for this form: 07/03/2017

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.

REDACTED - FOR PUBLIC INSPECTION

Attachments

REDACTED - FOR PUBLIC INSPECTION

(700) Price Offerings including Voice Rate Data
Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<701>	Residential Local Service Charge Effective Date	1/1/2017
<702>	Single State-wide Residential Local Service Charge	

<703>

<a1>	<a2>	<a3>	<b1>	<b2>	<b3>	<b4>	<b5>	<c>
State	**Exchange (ILEC)**	**SAC (CETC)**	**Rate Type**	**Residential Local Service Rate**	**State Subscriber Line Charge**	**State Universal Service Fee**	**Mandatory Extended Area Service Charge**	**Total per line Rates and Fees**
TX	Ganado		FR	20.0	0.0	0.66	0.0	20.66
TX	Louise		FR	18.6	0.0	0.66	1.4	20.66
TX	Markham		FR	18.6	0.0	0.73	3.5	22.83

REDACTED - FOR PUBLIC INSPECTION

(710) Broadband Price Offerings
Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<711>

<a1> State	<a2> Exchange (ILEC)	<b1> Residential Rate	<b2> State Regulated Fees	<c> Total Rates and Fees	<d1> Broadband Service - Download Speed (Mbps)	<d2> Broadband Service -Upload Speed (Mbps)	<d3> Usage Allowance (GB)	<d4> Usage Allowance Action Taken When Limit Reached {select}
TX	All	39.95	0.0	39.95	10.0	1.5	999999	Other, None
TX	All	49.95	0.0	49.95	20.0	1.5	999999	Other, None
TX	All	49.95	0.0	49.95	20.0	20.0	999999	Other, None
TX	All	59.95	0.0	59.95	50.0	50.0	999999	Other, None
TX	All	89.95	0.0	89.95	100.0	50.0	999999	Other, None
TX	All	299.95	0.0	299.95	1000.0	50.0	999999	Other, None

REDACTED - FOR PUBLIC INSPECTION

(800) Operating Companies
Data Collection Form

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

<010>	Study Area Code	442076
<015>	Study Area Name	GANADO TELEPHONE CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Bill Rakowitz
<035>	Contact Telephone Number - Number of person identified in data line <030>	3617714107 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	bill@ykc.com

<810>	Reporting Carrier	Ganado Telephone Company, Inc.
<811>	Holding Company	Ganado Telephone Company, Inc.
<812>	Operating Company	Ganado Telephone Company, Inc.

<813>

<a1>	<a2>	<a3>
Affiliates	**SAC**	**Doing Business As Company or Brand Designation**
YK Communications, LTD.		

REDACTED - FOR PUBLIC INSPECTION

Attachment File: 442076tx510.pdf

GANADO TELEPHONE COMPANY, INC. – SAC 442076

FCC Form – Program Year 2018

Line 510

COMPLIANCE WITH SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES – § 54.313(a)(5)

Ganado Telephone Company, Inc. ("Ganado" or "the Company") complies with all applicable service quality standards and consumer protection rules as required by the Public Utility Commission of Texas ("PUC") and the Federal Communications Commission ("FCC").

The rates, terms and conditions under which the Company operates are identified in its Local Exchange Tariff, which is approved by the PUC. The Company's tariff contains provisions regarding its customer service and protection practices, including resolving customer disputes, applying for, refusing, disconnection, and cancellation of service. Rates and terms of service are disclosed to customers upon application for service as part of a packet of information for new customers.

Service quality standards are established by the PUC and Ganado consistently meets or exceeds those requirements. The Company provides an annual report to the Texas PUC pursuant to the commission's rules.

The protection of its customers' privacy and information is a constant part of Ganado's quality of service. The Company has a policy and operating procedures that comply with the FCC's Customer Proprietary Network Information ("CPNI") rules (47 C.F.R §§ 64.2001 – 64.2011). Certification of Ganado's compliance with the FCC's CPNI rules is filed with the FCC annually.

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Attachment File: 442076tx610.pdf

GANADO TELEPHONE COMPANY, INC. – SAC 442076

FCC Form 481 – Program Year 2018

Line 610

ABILITY TO FUNCTION IN EMERGENCY SITUATIONS – § 54.313(a)(6)

Ganado Telephone Company, Inc. ("Ganado" or "the Company") is capable of functioning in emergency situations. Ganado has a reasonable amount of back-up power to ensure functionality without a commercial external power source. The Company has permanently installed standby power generators at its exchange switching offices and remote switching locations have a minimum of eight (8) hours of backup battery capacity. These remote sites are also equipped to accept portable emergency power if necessary. The Company's network is capable of managing traffic spikes resulting from emergency conditions.

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Attachment File: 442076tx1010.pdf

GANADO TELEPHONE COMPANY, INC. – SAC 442076

FCC Form - Program Year 2018

Line 1010

DESCRIPTION OF VOICE SERVICES RATE COMPARABILITY - §54.313(a)(10)

Ganado Telephone Company, Inc.'s ("Ganado" or "the Company") Voice Services Pricing is no more than two standard deviations above the applicable urban rate floor for voice services. On February 14, 2017, the Wireline Competition Bureau ("Bureau") established a new average urban floor rate of $22.49 and a maximum of $49.51 as the Rate Comparability Benchmark. The FCC's previously announced phase-in of the floor rate was frozen at $18.00 by the FCC (May 17, 2017). As shown by Ganado's response to 700 (Attachment File: 442076tx700.pdf), Ganado's total residential voice service rate plus mandatory state fees is no more than $22.83. When all state and federal mandatory charges are added to Ganado's residential voice service rate the total rate is below the $49.51 Rate Comparability Benchmark set by the Bureau.

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Attachment File: 442076tx1030.pdf

GANADO TELEPHONE COMPANY, INC. – SAC 442076

FCC Form – Program Year 2018

Line 1030

DESCRIPTION OF BROADBAND SERVICES RATE COMPARABILITY - §54.313(a)(12)

Ganado Telephone Company, Inc's ("Ganado" or "the Company") Broadband Services Pricing meets the FCC's broadband pubic interest obligations because it offers broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream at no more than the applicable benchmark for broadband services announced by the Bureau on February 14, 2017 (DA 17-167).

As shown by Ganado's response to Line 710 on its Form 481 filing, Ganado offers broadband service at actual speeds of 10 Mbps downstream/1.5 Mbps upstream with no usage allowances for $39.95. Since the Bureau's Benchmark Table for 2017 included in DA 17-167 indicates that broadband service of 10 Mbps downstream/1 Mbps upstream with no usage allowances should be offered at no more than $77.98, Ganado's 10 Mbps downstream/1.5 Mbps upstream broadband service offering at $39.95 meets the Bureau's requirement for broadband reasonable comparability service rates.

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program.
(T)(D)

Scope and Purpose. Through this section the commission seeks to extend Lifeline Service to all qualifying customers, establish a procedure for Lifeline Automatic Enrollment and Lifeline Self-Enrollment, and define the responsibilities of participating telecommunications carriers, qualified customers, the Texas Health and Human Services Commission (THHSC), and the Low-Income Discount Administrator (LIDA) Program. This section applies to designated eligible telecommunications carriers as defined by §26.418 of this title (relating to Designation of Common Carriers as Eligible Telecommunications Carriers to Receive Federal Universal Service Funds) and designated eligible telecommunications providers as defined by §26.417 of this title (relating to Designation as Eligible Telecommunications Providers to Receive Texas Universal Service Funds (TUSF)), collectively referred to in this section as participating telecommunications carriers.

Lifeline Service. Each participating telecommunications carrier shall provide Lifeline Service as provided by this section. A customer with an income at or below 150% of the federal poverty guidelines be an eligible resident of Tribal lands, or participate in, or have a person or child who resides in the customer household who participates in a program identified in Chapter 47 of the Code of Federal Regulations § 54.409 and in P.U.C. Substantive Rule 26.412 regarding consumer qualification for Lifeline. ns services.

.5.1 Lifeline Service Program.

Lifeline Service is a retail local service offering available to qualifying low-income customers sponsored by the FCC and available to qualifying low-income consumers.

(T)(D)

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program. (Cont'd) (T)(D)

4.5.1 Lifeline Service Program. (Cont'd)

4.5.1.1 Provision of Lifeline Service. Lifeline Service shall be provided according to the following requirements and the terms of the Low-Income Discount Procedural Guide (the Guide). The Guide compiles the regulatory and statutory requirements for, and roles of, participants in the rate reduction program, including participating telecommunications carriers, THHSC, the LIDA, and customers, and sets out administrative information, including the required data formats and deadlines for transmitting information to the LIDA, other program participants, and the commission. The initial version of the Guide will be approved by the commission, but it may be updated to reflect statutory or commission-approved changes in rules and program requirements, or to modify the format or timing of the provision of information by participating telecommunications carriers and the LIDA, with the approval of the Executive Director.

- Designated Lifeline Services. The participating telecommunications carriers shall offer the services or functionalities enumerated in Title 47, Code of Federal Regulations, §54.10(a)(1-9) (relating to Supported Services for Rural, Insular and High Cost Areas).

- Toll Blocking. The participating telecommunications carriers shall offer toll blocking to all qualifying low-income customers at the time such customers subscribe to Lifeline Service. If the customer elects to receive toll blocking, that service shall become part of the customer's Lifeline Service and the customer's monthly bill will not be increased by otherwise applicable toll blocking charges.

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program.
(Cont'd)
(T)(D)

4.5.1 Lifeline Service Program. (Cont'd)

4.5.1.1 Provision of Lifeline Service. (Cont'd)

- Disconnection of Service.

  Disconnection prohibition. Participating telecommunications carriers may not disconnect Lifeline Service for non-payment of toll charges.

  Discontinuance of Lifeline Discounts for customers automatically enrolled. The eligibility period for automatically enrolled customers is the length of their enrollment in THHSC benefits plus a period of 60 days
  for renewal. Automatically enrolled customers will have an opportunity to renew their THHSC benefits or self enroll with LIDA upon the expiration of their automatic enrollment.

  Discontinuance of Lifeline Discounts for customers who have self-enrolled. Individuals not receiving benefits through THHSC programs, but who have met Lifeline income qualifications in subsection 4.5 of this section, are eligible to receive the Lifeline Discount for seven months, which includes a period of 60 days during which the customer may renew their eligibility with LIDA for an additional seven months.

- Service Deposit Prohibition. If the qualifying low-income customer voluntarily elects toll blocking from the participating telecommunications carrier, the carrier may not collect a service deposit pursuant to §26.24 of this title (relating to Credit Requirements and Deposits) in order to initiate Lifeline Service.

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program. (Cont'd)

4.5.2 Lifeline Support.

4.5.2.1 Lifeline support amounts. Lifeline support amounts per qualifying low-income customer shall be provided to participating telecommunications carriers pursuant to Title 47, Code of Federal Regulations, §54.403 (relating to Lifeline Support Amount) and according to any applicable provisions of the Guide. Tribal Land discounts will be provided pursuant to Title 47, code of Federal Regulations, §54.403.

- Lifeline Service Discounts. The Company shall grant qualifying low-income consumers support of $9.25 per month or equal to the support amount as directed by the Federal Communications Commission in Chapter 47 of the Code of Federal Regulations regarding Lifeline Support.

Additional state reduction. A participating telecommunications carrier shall give a qualifying low-income customer the following:

an additional state-approved reduction of up to a maximum of $3.50 in the monthly amount of intrastate charges.

Area Discount. The Company shall give qualifying low-income consumers an area discount composed of up to 25% of any actual rate increase by the Company. The discount shall be consistent with the P.U.C.'s Universal Service Plan. The area discount will apply to Lifeline providers operating in the Company's service area. The area discount amount is $1.34. (I)

Combined Lifeline Discounts. The combined discounts shall not result in a rate less than zero charged for basic local service.

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program. (Cont'd) (T)(D)

4.5.2 Lifeline Support. (Cont'd)

4.5.2.2 Recovery of support amounts. Participating telecommunications carriers shall be entitled to recover the support amount required by the C.F.R, §54.101 pursuant to C.F.R., §54.407 (relating to Reimbursement for offering Lifeline). The support amount described in subparagraph "Additional state reduction …" of this paragraph can be recovered through the Texas Universal Service Fund (TUSF).

4.5.3 RESERVED FOR FUTURE USE

(T)

(D)

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program (Cont'd) (T)(D)

4.5.3 RESERVED FOR FUTURE USE

4.5.4 Obligations of the customer and the participating telecommunications carrier.

4.5.4.1 Obligations of the customer. Customers who meet the low-income requirement for qualification but do not receive benefits under the programs listed in subsection 4.5 of this section may provide the LIDA with self-enrollment for Lifeline Service benefits. Customers receiving benefits under the programs listed in subsection 4.5 of this section and who have telephone service will be subject to the Lifeline automatic enrollment procedures as provided by the LIDA pursuant to the terms of the Guide unless they provide the LIDA with a request to be excluded from Lifeline Service. Customers receiving benefits under the programs listed in subsection 4.5 of this section who do not have telephone service must initiate a request for service from a participating telecommunications carrier providing local service in their area. (T)(D)

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program (Cont'd) (T)(D)

4.5.4 Obligations of the customer and the participating telecommunications carrier. (Cont'd)

4.5.4.2 Obligation of the participating telecommunications carrier.

- Lifeline Service.

A participating telecommunications carrier shall provide Lifeline Service to all eligible customers identified by the LIDA within its service area in accordance with this section and the Guide.

- A participating telecommunications carrier shall identify those customers on the initial database provided by the LIDA to whom it is providing telephone service and shall begin reduced billing for those qualifying low-income customers in accordance with the terms of the Guide.

- The eligible customer shall not be charged for changes in telephone service arrangements that are made in order to qualify for Lifeline Service, or for service order charges associated with transferring the account into Lifeline Service. If the eligible customer changes the telephone service or initiates new service, the participating telecommunications carrier shall begin reduced billing at the time the change of service becomes effective or at the time new service is established.

Upon receipt of the monthly update provided by the LIDA pursuant to the terms of the Guide a participating telecommunications carrier shall begin reduced billing for those qualifying low-income customers subscribing to services within the timeframe established by the Guide.

The LIDA shall provide a self-enrollment form by direct mail at the customer's request. The LIDA shall maintain customers' self-enrollment forms and provide a database of self-enrolling customers to all participating telecommunications carriers.

(D)

(T)(D)

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LOCAL EXCHANGE SERVICE

4. Local Exchange Service (Cont'd)

4.5 Lifeline Service Program
(Cont'd)
(T)(D)

4.5.5 Notice of Lifeline Service.

A participating telecommunications carrier shall provide notice of Lifeline Service in any directory it distributes to its customers and shall provide an annual bill message advising customers of the availability of Lifeline Service. In any instance where the carrier provides bilingual (English and Spanish) information in its directory and annual bill messages, the carrier must also provide its notice regarding Lifeline Service in a bilingual format.

4.5.6 Confidentiality agreements.

Participating telecommunications carriers must execute a confidentiality agreement with THHSC pursuant to the terms of the Guide prior to receiving the LIDA's eligibility database. The agreement will specify that client information is released by THHSC to carriers for the sole purpose of providing Lifeline Service to eligible customers and that the information cannot be released by the carrier or used by the carrier for any other purpose.

4.5.7 Opportunity for contest.

- A customer who believes that their self-enrollment application has been erroneously denied may request that LIDA review the application, and the customer may submit additional information as proof of eligibility.

- A customer who is dissatisfied with LIDA's action following a request for review under the preceding subparagraph of this subsection may request an informal hearing to be conducted by the commission staff.

- A customer dissatisfied with the determination after an informal hearing under the preceding subparagraph of this subsection may file a formal complaint pursuant to §22.242(e) of this title (relating to Complaints).

4.5.8 Low-Income Discount Procedural Guide.

In the event of conflicts between the language of the Guide and the language of §26.412 (relating to Lifeline Service Program), §26.412 shall prevail.

(T)(D)

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YK communications

June 8, 2017

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

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

Dear Ms. Dortch:

In compliance with the Commission's rules pursuant to § 54.313(f)(1) relating to the filing of Form 481, Ganado Telephone Company, Inc., SAC – 442076, wishes to certify to the Commission that the Company:

Has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 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, at rates that are reasonably comparable to rates for comparable offerings in urban areas, and that reasonable requests for such service are met within a reasonable amount of time.

If you have any questions, I may be contacted at 361-771-3331.

Sincerely,

Bill Rakowitz

Bill Rakowitz
General Manager

109 West Putnam/PO Box 329
Ganado, TX 77962
T: 361.771.3334 or 800.395.1499
F: 361.771.2179

3604 West Loop/Suite D
El Campo, TX 77437
T: 979.543.9499 or 800.395.1499
F: 979.543.1778

www.ykc.com

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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

This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.

BORROWER NAME

Ganado Telephone Co., Inc.

(Prepared with Audited Data)

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, 2016

BORROWER DESIGNATION: TX0633

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)

[X] 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

Raymond Rakowitz

3/21/2017

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. 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			**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

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS- See RUS Bulletin 1744-2

BORROWER DESIGNATION: TX0633

PERIOD ENDING: December, 2016

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]		

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USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

TX0633

PERIOD ENDED

December, 2016

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

	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
EXCHANGE	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Ganado	[redacted]						
Louise							
Markham							
MobileWireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges							

REDACTED - FOR PUBLIC INSPECTION

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

TX0633

PERIOD ENDED

December, 2016

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

4. BROADBAND SERVICE

			Details on Least Expensive Broadband Service					
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	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)
Ganado	[redacted]							
Louise								
Markham								
Total								

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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
[redacted]				

PART E. TOLL DATA

1. Study Area ID Code(s)

a. 442076
b.
c.
d.
e.
f.
g.
h.
i.
j.

2. Types of Toll Settlements (Check one)

Interstate:	☐ Average Schedule	☒ Cost Basis
Intrastate:	☐ Average Schedule	☒ Cost Basis

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	[redacted]
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	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*
1. Investment in Affiliated Companies - Rural Development	[redacted]				
2. Investment in Affiliated Companies - Nonrural Development					

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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) [X] YES [ ] NO

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

REDACTED - FOR PUBLIC INSPECTION

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	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) Gain on Disposition of Assets
	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) Retirement of Tresurary Stock
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) Cost of plant retired and net salvage of plant retirements
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

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CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS