WEIKLE & CO.

REDACTED – FOR PUBLIC INSPECTION

June 30, 2016

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th St, SW
Washington, D.C. 20554

RE: WC Docket No. 14-58
FCC Form 481 – Carrier Annual Reporting
Pineville Telephone Company
Request for Confidential Treatment

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan Progress Report included in FCC Form 481

Dear Ms. Dortch:

This FCC Form 481- Carrier Annual Reporting is being submitted on behalf of Pineville Telephone Company ("Pineville" or "Company") in accordance with FCC Rules 54.313 and 54.422. This version is the Redacted – For Public Inspection version.

Pineville, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan progress report and (2) the financial annual report, both of which are redacted in the ECFS submission. The request for confidential treatment of the five-year plan progress report is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's March 22, 2016 *Protective Order* in WC Docket Nos. 10-90 and 14-58. These attachments contain competitively sensitive data that Pineville maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Company.

Five-Year Service Quality Improvement Plan Progress Report

Pursuant to Section 0.459 of the Commission's rules and Exemption 4 of FOIA, Pineville requests that the text and data extracted from its five-year service quality improvement plan progress report be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Company maintains as confidential. Public availability of this information would have a substantial negative impact on the Company.

JERRY L. WEIKLE
President

151 SPRING STREET NW
CONCORD, NC 28025-4749

jweikle@windstream.net
704.699.9451

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

The FCC Form 481 – Five-Year Service Quality Improvement Plan Progress Report Information contained in the Attachment for Line 112. Confidential treatment is requested sought for all information in the five-year plan progress report since it contains current and proposed details about the network and costs.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket No. 14-58 as an attachment to the FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of the FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a progress report on its five-year service quality improvement plan, pursuant to 47 C.F.R. §54.313(a)(1).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan progress report contains detailed information on the Company's customer information, broadband capabilities, and planned capital investments and expenses for its network to improve service quality, service coverage, and/or service capacity. A map of the Company's service area detailing progress toward meeting broadband deployment targets at the wire center level is also contained. This is closely guarded and privileged information that the Company does not make publicly available.

(4) Explanation of the degree to which the information concerns a service that is subject to competition:

This information contains details about plans and completed network upgrades for voice and broadband offered by the Company. Both voice and broadband services are subject to competition. There are competitors in the Company's service area including various wireless service providers.

(5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan progress report would provide competitors with detailed information regarding the Company's customer information, existing broadband capabilities, and its recent and planned network

investments that improve service quality, coverage, and/or capacity for customers. This would give competitors valuable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Company.

(6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Company has continually treated the extracted information in its five-year plan progress report as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory commission it has been filed as confidential information which is not made available to the public.

(7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan progress report is not available to the public. Third-party access is limited as described in item (6) above.

(8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Company requests that the extracted information be withheld from public inspection indefinitely. The information in the five-year plan progress report provides details about the Company's most recent network upgrades in relation to its previously submitted service quality improvement plan. It also contains information about planned network improvements during the five-year period ending 2019. This information would provide a very useful baseline for competitors for several years beyond that period.

(9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). Pineville seeks confidential treatment of its financial annual report pursuant to the March 22, 2016 *Protective Order* in WC Docket

Nos. 10-90 and 14-58. The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

A paper version of this letter along with the Form 481containing confidential information is being filed with the Office of the Secretary. This REDACTED – FOR PUBLIC INSPECTION copy is being submitted electronically through ECFS.

If there are any questions, I can be reached at 704.699.9451.

Sincerely,

Jerry Weikle

Jerry Weikle
Consultant to Pineville Telephone Company

Attachment

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	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Jerry Weikle
<035>	Contact Telephone Number: Number of the person dentif ed in data line <030>	7047827738 ext.
<039>	Contact Email Address: Email of the person dentif ed in data line <030>	jweikle@windstream.net
	Form Type	54.313 and 54.422

(100) Service Quality Improvement Reporting
Data Collection Form

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

<010>	Study Area Code	230494
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<020>	Program Year	2017
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<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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

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

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

230494NC112.pdf

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

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

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

<010>	Study Area Code	230494
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<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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

<220>

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

(300) Unfulfilled Service Request
Data Collection Form

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

<010>	Study Area Code	230494
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<020>	Program Year	2017
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<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<300> Unfulfilled service request (voice) 0

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband) 0

<330> Detail on attempts (broadband)

Name of Attached Document

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

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

<010>	Study Area Code	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0.0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0.0
<450>	Complaints per 1000 customers for mobile broadband	

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

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July 2013

<010>	Study Area Code	230494
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<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	230494NC510.pdf

(600) Functionality in Emergency Situations
Data Collection Form

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

<010>	Study Area Code	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	230494NC610.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

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<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	9.99

<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**

(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	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<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	230494
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<810>	Reporting Carrier	Pineville Telephone Company
<811>	Holding Company	Town of Pineville
<812>	Operating Company	Pineville Telephone Company

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

(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	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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

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

<920> Tribal Government Engagement Obligation

<921>

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

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

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

<010>	Study Area Code	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<1000>	Voice services rate comparability certification	Yes
<1010>	Attach detailed description for voice services rate comparability compliance	230494NC1010.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	230494NC1030.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	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<1100>	Certify whether terrestrial backhaul options exist (Y/N)	Yes
<1130>		

(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

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

230494NC1210.pdf

<1220> Link to Public Website

HTTP

<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. ✔

(2000) 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

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<015>	Study Area Name	PINEVILLE TEL CO
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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

Incremental Connect America Phase I reporting

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

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

<2022> Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.

<2023> The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only.

<2024A> Round 2 Recipient of Incremental Support?

<2024B> Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(ii). Round 2 recipients only.

Name of Attached Document Listing Required Information

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

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

Name of Attached Document Listing Required Information

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

(2000) Price Cap Carrier Additional Documentation (Continued)
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?

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

Name of Attached Document Listing Required Information

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(ii)

Name of Attached Document Listing Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

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

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

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

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

(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

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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

Progress Report on 5 Year Plan

(3009)	Carrier certifies to 54.313(f)(1)(iii)		
(3010A)	Milestone Certification {47 CFR § 54.313(f)(1)(i)}	Yes - Attach Certification	
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information	230494NC3010.pdf
(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	
(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) for Balance Sheet, Income Statement and Statement of Cash Flows		☐
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	230494NC3026.pdf

(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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<015>	Study Area Name	PINEVILLE TEL CO
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<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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	

Name of Attached Document Listing Required Information

<010>	Study Area Code	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

4005 Rural Broadband Experiment

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

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)
Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

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

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

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

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

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year. Name of Attached Document Listing Required Information _____

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

4004a. Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481. Name of Attached Document Listing Required Information _____

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

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

<010>	Study Area Code	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients

I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.

Name of Reporting Carrier: PINEVILLE TEL CO

Signature of Authorized Officer: CERTIFIED ONLINE Date 06/30/2016

Printed name of Authorized Officer: Tammy Vachon

Title or position of Authorized Officer: Telecommunications Director

Telephone number of Authorized Officer: 7048890208 ext.

Study Area Code of Reporting Carrier: 230494 Filing Due Date for this form: 07/01/2016

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

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

<010>	Study Area Code	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

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

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier

I certify that (Name of Agent) is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.

Name of Authorized Agent:

Name of Reporting Carrier:

Signature of Authorized Officer: Date:

Printed name of Authorized Officer:

Title or position of Authorized Officer:

Telephone number of Authorized Officer:

Study Area Code of Reporting Carrier: Filing Due Date for this form:

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier

I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.

Name of Reporting Carrier:

Name of Authorized Agent Firm:

Signature of Authorized Agent or Employee of Agent: Date: 06/30/2016

Name of Authorized Agent Employee:

Title or position of Authorized Agent or Employee of Agent

Telephone number of Authorized Agent or Employee of Agent:

Study Area Code of Reporting Carrier: Filing Due Date for this form:

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

Attachments

Pineville Telephone
Annual Update 2015 - Initial Five Year Service Quality Improvement Plan
For the Calendar Years 2015-2019
Line 112

Discussion

Pineville Telephone is an ETC designated by the North Carolina Utilities Commission and submitted its initial five year service quality improvement plan (Plan) as required by 47 CFR § 54.313(a)(1) and 54.202 (a)(1)(ii) in 2014. Pineville Telephone is an incumbent carrier serving a single exchange in the state of North Carolina, with access lines served as of 12/31/2015. Pineville Telephone is a rate-of-return (RoR) regulated carrier.

The initial five year plan represented Pineville Telephone's ongoing efforts to expand high quality, reasonably-priced broadband services throughout its service area.

The Plan presented included expenditures not directly tied to "improvements or upgrades" of Pineville Telephone's network, such as amounts for the maintenance and upkeep of existing telecommunications plant. In order for the Commission to accurately consider the capital and operating expenditures as related to and supported by the federal universal service programs, these types of costs are critical for such an understanding.

Five Year Service Quality Improvement and Investment Plan

Pineville Telephone's service quality improvement and investment plan consisted of two major components: (1) capital expenditures it forecasted were necessary to meet the voice and broadband public interest obligations as adopted by the Commission, state service quality and network build out requirements, and general upkeep and maintenance of its network; and (2) operating expenditures it forecasted were necessary to meet the same obligations.

As shown on the following pages, Pineville Telephone's plan is to place additional fiber in its distribution route to serve homes and businesses. This will allow customers to receive a more reliable service and faster broadband speeds. The plan was to upgrade its softswitch to maintain reliable services. Pineville Telephone would work to maintain its network in order to keep it operating efficiently and to avoid problems from impacting customers.

Universal Service Support Received

In 2015, Pineville received a total of in high cost universal service support (USF). This was comprised of of Interstate Common Line Support (ICLS) support and of Connect America Fund Intercarrier Compensation (ICC) support.

Universal Service Support Uses and 5-Year Plan Progress

Pineville has been working on maintaining and upgrading its network in accordance with the principles of universal service.

Pineville will continually provide service as requested to new residential and business structures within

its service territory. Pineville uses the USF it receives for general maintenance and to improve service quality, coverage and capacity of its current copper and fiber plant. More was spent in 2015 to improve and maintain the network than was received in USF support. All USF was used to improve and maintain service to customers. Support was used to help expand the deployment of fiber to provide higher quality and improved voice and broadband services.

Capital Expense

One capital project budgeted was a project to serve
Another project was a . Both projects were completed in 2015.

There is a in the plan for 2016 that is on track to be completed this year.

Remaining on the initial 5-year plan remain on track and there are no changes at this time.

Operating Expense

During 2015, Pineville spent more on operating expenses than listed in the 5-year plan. The money spent has been to maintain services made available to customers. Pineville expects that to occur in 2016 as well.

Maps

A map of Pineville's service coverage area is attached. Pineville Telephone currently is able to provide a minimum of 4 mbps/1 mbps to all customers.

Considerations

The investment and service quality improvement plans discussed above were generated, in part, to meet or exceed the broadband public interest obligations adopted by the Commission:

- Speed - at least 4 mbps downstream and 1 mbps upstream
- Latency - 100mS or less, sufficient for real-time applications
- Capacity - Unlimited capacity per month
- As an RoR - regulated carrier, Pineville Telephone is required pursuant to 47 CFR § 54.313(f)(1)(i) to provide broadband service at 4 mbps/1 mbps upon reasonable request and within a reasonable timeframe. Pineville Telephone currently is able to provide 4 mbps/1 mbps to all customers.
- Pineville Telephone determines into which parts of its network are feasible to upgrade and increase capacity by analyzing relevant factors such as population, demand, costs, likely revenues, regulatory requirements, and availability of work force and materials.

Study Area Code 230494
Study Area Name PinevilleTelephone Company

PART A - PROJECT LIST FOR 2015-2019

Project	Start Date	Completion	2016 Status	Areas	Population(1)	Total Dollars	Part 32 Account	Voice, Broadband, Both, etc.

Study Area Code 230494
Study Area Name PinevilleTelephone Company

Part B: 5-Year Proposed Capital Expenditures and Operating Expenses
(1) Use the chart below to break out the regulated portion of the cost/expense on a per-year basis
Please note that the 5-Year Plan should include regulated plant/expenses only.

Regulated Capital Expenditure (CapEX) Projections								
Account	Description	2015	2016	2017	2018	2019	Total Projected CapEx 2015-2019	2016 Status
2111 & 2121	Land & Building							
2112	Vehicles							
2122-2124	Support Assets							
2210	Switching Equipment							
2232	Circuit Equipment							
2410	Cable & Wire Facilities							
1220	Materials & Supplies							
	Total Capital Expenditures							

Regulated Operating Expenditure (OpEx) Projections								
Account	Operating Expenses	2015	2016	2017	2018	2019	Total Operating Expenses 2015-2019	2016 Status
6110-6120	General Support Maintenance							
6210	Switching Maintenance							
6230	COE Transmission Maintenance							
6410	Cable & Wire Facilities							
6530	Non-Specific (Testing, Plant Op., Engineering)							
6561-2110	General Support Depreciation							
6561-2210	Switching Depreciation							
6561-2230	Circuit Equip Depreciation							
6561-2410	Cable & Wire Depreciation							
6610-6620	Customer Operations							
6711-6720	Corporate Operations							
7240	Ad Valorem Expense							
	Total Operating Expenses							

Pineville Telephone
Service Quality Standards and Consumer Protection Rules Compliance Explanation
Line 510

Certification
Pineville Telephone Company certifies that it complies with applicable service quality standards and consumer protection rules for both voice services and broadband services.

Service Quality
The North Carolina Utilities Commission (NCUC) has service quality rules in place. These service quality rules are found in NCUC Chapter 9, Rule R9-8. The NCUC does not have rules in place regarding broadband service quality. Pineville Telephone Company is regulated by the NCUC although the current form of regulation no longer requires Pineville to report results. Pineville did continue to measure results during 2015 and met objectives.

Here is a link to Chapter 9 rules located on the NCUC website:
http://www.ncuc.net/ncrules/Chapter09.pdf

Rule R9-8 requires that certain service objectives be met and that company results be reported to the NCUC on a quarterly basis within 45 days after the end of each quarter. Pineville has established procedures and processes to meet Rule R9-8 objectives even though it is no longer required to report results to the NCUC.

The NCUC objectives are listed below:

Rule R9-8. Service objectives for regulated local exchange telephone companies and competing local providers (CLPs).

(a) Service Objectives. Each regulated local exchange telephone company and CLP shall perform and provide service in accordance with the following uniform service objectives:

Measure No.	*Description*	*Objective*
1	Intraoffice completion rate	99% or more
2	Interoffice completion rate	98% or more
3	EAS transmission loss	95% or more between 2 and 10 dB
4	EAS trunk noise	95% or more 30 dBrnc or less
5	Operator "0" answertime	90% or more of calls answered within 10 seconds or ASA of 6 seconds
6	Directory assistance answertime	85% or more of calls answered within 10 seconds or ASA of 6 seconds

7	Business office answertime	ASA of 30 seconds
8	Repair service answertime	ASA of 30 seconds
9	Initial customer trouble reports	4.75 or less per 100 total access lines
10	Repeat reports	1.0 report or less per 100 total access lines
11	Out-of-service troubles cleared within 24 Hours	95% or more
12	Regular service orders completed within 5 working days	90% or more
13	New service installation appointments not met for Company reasons	5% or less
14	New service held orders not completed within 30 days	0.1% or less of total access lines

Consumer Protection

Pineville Telephone Company is committed to maintain the privacy of customer information. In addition to protecting personal information the company is obligated to protect information on how customers use their services. Pineville Telephone Company follows all requirements the FCC has mandated concerning Customer Proprietary Network Information (CPNI). As required, Pineville files annual CPNI compliance certifications with the FCC by March 1 each year.

There are no NCUC or state rules in place for broadband consumer protection. Pineville Telephone Company does follow federal laws relating to broadband service. Pineville Telephone Company does publicly disclose broadband terms and prices for customers.

Pineville Telephone
Functionality in Emergency Situations
Line 610

Backup Power

Pineville Telephone has a natural gas backup generator to maintain power to the administrative building and central office equipment at all times. In the event commercial power is lost then batteries power the network for three minutes before the generator is engaged. This generator is designed to operate indefinitely during a commercial power outage. This generator is automatically tested on a weekly basis for proper performance.

Traffic Reroute

During times of an emergency or damage to facilities, there is the ability to reroute traffic to other facility routes. Currently all incoming and outgoing local and long distance traffic is routed over a fiber ring. In the case of damage to the fiber ring, a switchover of traffic flow on the ring is automatic. If the fiber ring goes down completely, there are IP trunks that traffic is manually routed to for completion.

Traffic Spikes

Should there be traffic spikes resulting from emergency situations, there is the ability to manually control line loads in the switch. During extreme emergencies and any resulting traffic spikes, priority is first given to first responders to allow their traffic to complete. Depending on the severity of the emergency situation and the amount of traffic, other traffic would be restricted if need be in order to give priority to first responders.

(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	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net

<711>

<a1>	<a2>	<b1>	<b2>	<c>	<d1>	<d2>	<d3>	<d4>
State	Exchange (ILEC)	Residential Rate	State Regulated Fees		Broadband Service - Download Speed (Mbps)			
NC	Pineville	39.99	0.0	39.99	4.0	0.512	999999	Other, None
NC	Pineville	49.99	0.0	49.99	8.0	0.768	999999	Other, None
NC	Pineville	52.99	0.0	52.99	10.0	1.0	999999	Other, None
NC	Pineville	62.99	0.0	62.99	20.0	2.0	999999	Other, None
NC	Pineville	82.99	0.0	82.99	30.0	5.0	999999	Other, None
NC	Pineville	102.99	0.0	102.99	50.0	5.0	999999	Other, None

Pineville Telephone
Voice Services Rate Comparability
Line 1010

The FCC released a Public Notice on April 5, 2016 (DA 16-362) which listed the urban average rate as $21.93 for residential customers. The same Public Notice listed the rate that is a reasonably comparable benchmark at $41.07.

Pineville Telephone charges residential customers $9.99 plus a federal Subscriber Line Charge of $6.50 for monthly service with unlimited local calling. The total of these charges is $16.49 which is less than the reasonably comparable benchmark of $41.07.

Because of this, Pineville Telephone is able to certify that it's pricing of fixed voice service is no more than two standard deviations above the applicable national average urban rate for voice service.

Pineville Telephone
Broadband Services Rate Comparability
Line 1020

The FCC released a Public Notice on April 5, 2016 (DA 16-362) which listed broadband rate benchmarks for some broadband service offerings. The Notice stated that benchmark rates for other service offerings could be calculated using the FCC Reasonable Comparability Benchmark Calculator found at http://www.fcc.gov/encyclopedia/urban-rate-survey-data. Pineville offers several residential products all with unlimited monthly usage. All prices are below the FCC benchmark rates as shown below:

Broadband Offering	Pineville Price	FCC Reasonable Benchmark Rate
50M x 5M	$ 102.99	N/A
30M x 5M	$ 82.99	N/A
20M x 2M	$ 62.99	$ 83.07
10M x 1M	$ 52.99	$ 75.20
8M x .768M	$ 49.99	$ 74.27
4M x .512M	$ 39.99	$ 73.02

Pineville's pricing meets the Commission's broadband public interest obligations by not charging more than the benchmark rate.

Pineville Telephone
Lifeline Terms and Conditions
Line 1210

As a state regulated wireline carrier, Pineville Telephone offers Lifeline service in accordance with FCC rules and terms and conditions in its tariff. The terms and conditions of the tariff are included starting on the next page of this file.

Minutes of Use
Each Lifeline customer has unlimited local usage and is able to make local calls at no additional charge. Each Lifeline customer is also able to receive unlimited local and long distance calls at no additional charge.

Toll Charges
Each Lifeline customer is able to receive toll blocking to avoid incurring unexpected toll charges. In the event the customer would like to make toll calls then the customer is able to choose which long distance company they would like to use and then choose which rate plan is best for them.

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Feb 26 2014

BASIC LOCAL EXCHANGE SERVICE

3.12 LIFELINE

3.12.1 Description of Service

a. The Lifeline Program is designed to increase the availability of telecommunications services to low income subscribers by providing a credit for monthly recurring local service charges to qualifying residential subscribers. Basic terms and conditions are in compliance with the FCC's rules found in CFR § 54.410. Customers must be certified by the appropriate state agency that they participate in one of the following programs: Medicaid; Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps; Supplemental Security Income (SSI); Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program (LIHEAP); National School Lunch Program's free lunch program; Temporary Assistance for Needy Families (TANF); or, be able to provide proof of household income which is at or below 135% of the annual Federal Poverty Guidelines for all States. Such certification must be provided to the Company. Specific terms and conditions are as prescribed by the North Carolina Utilities Commission and are set forth in this Tariff.

b. Lifeline is supported by federal universal service support mechanisms. (D)

c. Federal baseline support of $9.25 is available for each Lifeline service and is passed through to the subscriber. (D)

The total Lifeline credit available to an eligible customer in North Carolina is $9.25. The amount of the Lifeline credit will not exceed the charge for local service, which includes the access line, touch tone service, the Subscriber Line Charge and local usage. (R)

d. The Lifeline program enables eligible subscribers to pay reduced charges for the following package of services: voice-grade access to the public switch network; local usage; dual tone multi-frequency signaling or its functional equivalent; access to emergency services; access to operator services; access to interexchange service; access to directory assistance; and toll blocking.

3.12.2 Regulations

DOCKET NO. P-100 SUB 133f
Allowed To Become Effective Pursuant
To G.S. 62-130 and G.S. 62-134

JAN - 2 2014

FILED
N.C. UTILITIES COMMISSION

a. General

(1)

(2) One low income credit is available per household and is applicable to the primary residential connection only. The named subscriber must be a current recipient of any of the low income assistance programs identified in Section 3.12.2b following.

(3) A Lifeline customer may subscribe to any local service offering available to other residence customers.

(4) Toll blocking is available to all Lifeline subscribers at no charge. Toll blocking will consist of Customized Code Restriction Option #2 as specified in Section 13.6 of this Tariff, and Billed Number Screening, as specified in Section 13.10.1 of this Tariff.

(5) The deposit requirement is not applicable to a Lifeline customer who subscribes to toll blocking. If a Lifeline customer removes toll blocking prior to establishing an acceptable credit history, a deposit may be required.

BASIC LOCAL EXCHANGE SERVICE

3.12 LIFELINE (Continued)

3.12.2 Regulations and Applications (continued)

(6) A Lifeline subscriber's local service will not be disconnected for non-payment of regulated toll Charges. Local service may be denied for non-payment of local calls in accordance with Section 2. Access to toll service may be denied for non-payment of regulated tolls. In such cases Customized Code Restriction Option #2 and Billed Number Screening will be applied to the Lifeline service at no charge. A Lifeline subscriber's request for reconnection of local service will not be denied if the service was previously denied for non-payment of toll charges as long as all outstanding local charges are paid.

(7) The Presubscribed Interexchange Carrier Charge ("PICC") will not be billed to customers who subscribe to toll blocking and who do not presubscribe to a long distance carrier.

b. Eligibility

(1) To be eligible for Lifeline credit, a customer must be a current recipient of any one of the following low income assistance programs.

(a) Temporary Assistance For Needy Families (TANF) (C)

(b) Supplemental Security Income (SSI)

(c) Supplemental Nutrition Assistance Program (SNAP)

(d) Medicaid;

(e) Low Income Home Energy Assistance Program ("LIHEAP");

(f) Federal Public Housing Assistance (Section 8);

(g) National School Lunch Program's free lunch program; or

(i) Provide proof of household income which is at or below 135% of the annual Federal Poverty Guidelines. (C)

DOCKET NO. P-100 SUB 133f
Allowed To Become Effective Pursuant
To G.S. 62-130 and G.S. 62-134

OCT 16 2013

FILED
N.C. UTILITIES COMMISSION

(2) A standard applications form will be available only from the agency administering the qualifying program and not from the Company. All applications are subject to verification with the state agency responsible for administration of the qualifying program.

c. Certification

(1) Proof of eligibility in any of the qualifying programs should be provided to the Company at the time of application for service. The Lifeline credit will not be established until proof of eligibility has been received by the Company. Customers must be recertified every 12 months. Without recertification, the customer's assistance will be discontinued. (C) (C) (C)

(D)
(D)

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Feb 26 2014

BASIC LOCAL EXCHANGE SERVICE

3.12 LIFELINE (Continued)

3.12.2 Regulations and Applications (continued)

(2) The Company reserves the right to periodically audit its records, working in conjunction with the appropriate state agencies, for the purpose of determining continuing eligibility. Information obtained during such audit will be treated as confidential information to the extent required under State and Federal laws. The use or disclosure of information concerning enrollees will be limited to purposes directly connected with the administration of the Lifeline plan.

(3) When a customer is determined to be ineligible as a result of an audit, the Company will send the customer a written notice of ineligibility.

3.12.3 Rates and Charges

a. General

(1) Lifeline is provided as a monthly credit on the eligible residential subscriber's access line bill for local service.

(2) Service Charges in Section 4 are applicable for installing or changing Lifeline service.

b. The total Lifeline credit consists of one federal credit plus one state credit.

	Monthly Credit
(1) Federal credit	
(a) All programs	$9.25

(2) (D)

c. Partial payments that are received from Lifeline customers shall first be applied to local service charges and then to outstanding toll charges.

DOCKET NO. P-100 SUB 133F
Allowed To Become Effective Pursuant
To G.S. 62-130 and G.S. 62-134

JAN - 2 2014

FILED
N.C. UTILITIES COMMISSION

Pineville Telephone
Milestone Certification
Line 3010

Certification

During 2015, Pineville Telephone Company certifies that it took reasonable steps to provide broadband service at actual speeds of at least 4 Mbps downstream and 1 Mbps upstream upon reasonable request. Because of improvements to the network, Pineville is able to provide higher speeds to all customers.

Services are provided with latency suitable for real-time applications, including Voice over Internet Protocol. Customers receive an unlimited capacity each month

MARTIN ❖ STARNES
& ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Town Council
Town of Pineville, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Pineville, North Carolina, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Pineville's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

730 13th Avenue Drive SE ❖ Hickory, North Carolina 28602 ❖ Phone 828-327-2727 ❖ Fax 828-328-2324
13 South Center Street ❖ Taylorsville, North Carolina 28681 ❖ Phone 828-632-9025 ❖ Fax 828-632-9085
Toll Free Both Locations 1-800-948-0585 ❖ Website: www.martinstarnes.com

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Pineville, North Carolina as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance and Other Post-Employment Benefits' Schedules of Funding Progress and Employer Contributions, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Pineville's basic financial statements. The individual fund financial statements, budget and actual schedules, and supplemental ad valorem tax schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements, budget and actual schedules, and the supplemental ad valorem tax schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures; including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements, budget and actual schedules, and the supplemental ad valorem tax schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

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

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
September 16, 2015

TOWN OF PINEVILLE, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

Assets:
Current assets:
Cash and cash equivalents
Accounts receivable, net
Prepaids
Due from other funds
Inventories
Cash and cash equivalents, restricted
Total current assets

Non-current assets:
Capital assets:
Land
Depreciable capital assets, net
Capital assets, net
Total non-current assets

Total assets

Liabilities:
Current liabilities:
Accounts payable and accrued expenses
Due to other funds
Compensated absences, current
Liabilities payable from restricted assets:
Customer deposits
Advanced billing
Total current liabilities

Non-current liabilities:
Other post-employment benefits
Compensated absences
Total non-current liabilities

Total liabilities

Net Position:
Net investment in capital assets
Unrestricted

Total net position

The accompanying notes are an integral part of the financial statements.

TOWN OF PINEVILLE, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2014

Operating Revenues:
Charges for services
Other operating revenues
Total operating revenues

Operating Expenses:
Administration
General operations
Electric power purchases
Telephone access and service charges
Depreciation
Total operating expenses

Operating income (loss)

Non-Operating Revenues (Expenses):
Investment earnings
Total non-operating revenues (expenses)

Income (loss) before transfers

Transfers out
Transfer to General Fund - payment in lieu of taxes
Transfers in
Total transfers

Change in net position

Net Position:
Beginning of year - July 1

End of year - June 30

The accompanying notes are an integral part of the financial statements.

TOWN OF PINEVILLE, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

Assets:
Current assets:
Cash and cash equivalents
Accounts receivable, net
Prepaids
Due from other funds
Inventories
Cash and cash equivalents, restricted
Total current assets

Non-current assets:
Net pension asset

Capital assets:
Land
Construction in progress
Depreciable capital assets, net
Capital assets, net

Total non-current assets

Total assets

Deferred Outflows of Resources:
Contributions to pension plan in current fiscal year
Pension deferrals
Total deferred outflows of resources

Liabilities:
Current liabilities:
Accounts payable and accrued expenses
Due to other funds
Unearned revenue - advanced billing
Compensated absences, current
Liabilities payable from restricted assets:
Customer deposits
Total current liabilities

Non-current liabilities:
Other post-employment benefits
Compensated absences
Total non-current liabilities

Total liabilities

Deferred Inflows of Resources:
Pension deferrals

Net Position:
Net investment in capital assets
Unrestricted
Total net position

The accompanying notes are an integral part of the financial statements.

TOWN OF PINEVILLE, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2015

Operating Revenues:
Charges for services
Other operating revenues
Total operating revenues

Operating Expenses:
Administration
General operations
Electric power purchases
Telephone access and service charges
Depreciation
Total operating expenses

Operating income (loss)

Non-Operating Revenues (Expenses):
Investment earnings
Gain/loss on sale of capital assets
Total non-operating revenues (expenses)

Income (loss) before transfers

Transfers out
Transfer to General Fund - payment in lieu of taxes
Transfers in
Total transfers

Change in net position

Net Position:
Beginning of year - July 1
Restatement
Beginning of year - July 1, as restated

End of year - June 30

The accompanying notes are an integral part of the financial statements.