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PLEASE RESPOND TO WASHINGTON ADDRESS

July 16, 2018

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

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

**Re: WC Docket No. 14-58
Submission of Redacted Version of FCC Form 481 for
Armstrong Telephone Company -- North (Study Area Code 170195)**

Dear Ms. Dortch:

Attached for electronic filing is a copy of the redacted public version of the FCC Form 481 of Armstrong Telephone Company -- North (the "Company") which contains the Company's financial information required by Section 54.313(f)(2) of the Commission's Rules (which is filed in compliance with the Protective Order referenced below).

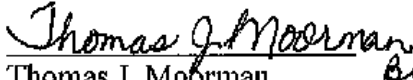
The Company's FCC Form 481 has been electronically filed with the Universal Service Administrative Company. Consistent with the Commission's Protective Order, WC Docket No. 10-90 *et al.*, DA 16-296, released March 22, 2016 (the "Protective Order"), the Company, under separate letter and pursuant to the requirements of the Protective Order, has submitted the confidential version of the Company's FCC Form 481 which contains the Company's financial information required by Section 54.313(f)(2) of the Commission's Rules.

The Company is aware that the Universal Service Administrative Company, Inc. has issued guidance regarding the treatment of Section 54.313(f)(2) confidential information addressed in the Protective Order. This guidance did not, however, address the procedural filing requirements required by the Protective Order. As a result and in a good faith effort to comply with the Protective Order's requirements, the Company is making this instant submission.

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
July 16, 2018
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Please direct any questions concerning this matter to the undersigned.

Respectfully submitted,


Thomas J. Moorman *By JAO*
James A. Overcash
Counsel to Armstrong Telephone Company – North

Attachment

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name: Person USAC should contact with questions about this data	Carrie Curtis
<035>	Contact Telephone Number: Number of the person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address: Email of the person identified in data line <030>	ccurtis@agoc.com
	Form Type	54.313 and 54.422

REDACTED - FOR PUBLIC INSPECTION

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

<010>	Study Area Code	1 70195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

[illegible]

(400) Number of Complaints per 1,000 customers Data Collection Form	ROC Form 481 OMB Control No. 3060-0866/OMB Control No. 3060-0819 July 2018
--	--

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TRL MORTN
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Cortie
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242 83 0925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	cortie@agac.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.	
<410>	Complaints per 1000 customers for fixed voice	
<420>	Complaints per 1000 customers for mobile voice	

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

RC Form 461
OMB Control No. 3060-0866/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TIRE NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtiss
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242630925 ext. 50380
<036>	Contact Email Address - Email Address of person identified in data line <030>	c.curtiss@agcc.com
<515> Certify compliance with applicable minimum service standards		

(600) Functionality in Emergency Situations Data Collection Form		RCC Form 481 OMB Control No. 3060-0985/OMB Control No. 3060-0619 July 2018
<010> Study Area Code	170195	
<015> Study Area Name	ARMSTRONG TRL IN0273	
<020> Program Year	2019	
<030> Contact Name - Person USAC should contact regarding this data	Carrin Currie	
<035> Contact Telephone Number - Number of person identified in data line <030>	72 42 83 0925 ext. 50380	
<039> Contact Email Address - Email Address of person identified in data line <030>	carrin@armco.com	
<600> Certify compliance regarding ability to function in emergency situations	Yes	
<610> Descriptive document for Functionality in Emergency Situations	170195pa610.pdf	

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OMB Control No. 3060-0985/OMB Control No. 3060-0819
July 2018

Armstrong Tel Co-NO

1

(900) Tribal Lands Reporting
Data Collection Form

FCC Form 481

OMB Control No. 3060-0985/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.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)(5) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

REDACTED - FOR PUBLIC INSPECTION

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

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<1000> Voice services rate comparability certification

Yes

<1010> Attach detailed description for voice services rate comparability compliance

170195pa1010.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

170195pa1030.pdf

Name of Attached Document

(1100) No Terrestrial Backhaul Reporting		FCC Form 481	
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
		July 2018	

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carlie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

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

<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).	<div></div>
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<1140>	Alaska Plan rate-of-return certification (yes, no, or not applicable) of compliance with approved performance plan.	<div></div>
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(1200) Terms and Condition for Lifeline Customers		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
Lifeline Data Collection Form		

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtie
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtie@agoc.com

170195pa1210.pdf

Name of Attached Document

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

<1220> Link to Public Website

HTTP agoc.com

"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.

(2015) Price Cap Carrier Additional Documentation		FCC Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers		July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 30380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of frozen 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(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

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

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

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

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

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

Name of Attached Document Listing
Required Information

(3005) Rate Of Return Carrier Additional Documentation		FCC Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

CAF BLS Reporting

(3008A)	Please indicate whether new locations were deployed during the prior calendar year.	(Yes/No)
(3008B)	Please enter the number of new locations deployed in the prior calendar year associated with each of the following speed tiers.	
(3008B1)	Number of newly built locations with access to broadband speeds of at least 10/1 Mbps but less than 25/3 Mbps.	
(3008B2)	Number of newly built locations with access to broadband speeds of 25/3 Mbps or higher.	
(3008C)	Please provide the percentage of deployment across the entire study area.	

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

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USACs should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.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.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)	
(3010A)	Certification of Public Interest Obligations (47 CFR § 54.313(f)(1)(i))	Yes - Attach Certification
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3012A)	Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))	No - No New Community Anchors
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3013)	Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))	(Yes/No) <input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No) <input type="radio"/> <input checked="" type="radio"/>
(3015)	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: Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(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? 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:	(Yes/No) <input checked="" type="radio"/> <input type="radio"/>
(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	<input checked="" type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input checked="" type="checkbox"/>
(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:	<input checked="" type="checkbox"/>
(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	<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant	<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.	<input type="checkbox"/>
(3025)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information

(305) Rate Of Return Carrier Additional Documentation (Continued)
Data Collection Form

RCC Form 481
CIMB Control No. 3060-0386/CIMB Control No. 3060-0819
July 2018

<J13> Study Area Code	170195
<J15> Study Area Name	ARMSTRONG TEL NORTH
<J21> Program Year	2019
<J39> Contact Name - Person USAC should contact regarding the data	Curtis, Carrie
<J35> Contact Telephone Number - Number of person identified in data line <J31>	7242850925 ext. 50380
<J39> Contact Email Address - Email Address of person identified in data line <J31>	ccurtis@lagos.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	

(4005) Rural Broadband Experiment Additional Documentation
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	APNS TRNG TEL NGP7H
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50360
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agac.com

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations and provide a list of newly served community anchor institutions.

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 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 – attached 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

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NGRTN
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	724232929 ext. 90380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@usac.com

(5012) If the filing carrier identified in its approved performance plans that it relies exclusively on satellite backhaul for a certain portion of the population in its service area, indicate whether any terrestrial backhaul or other satellite backhaul became commercially available in the previous calendar year in areas that were previously served exclusively by satellite backhaul. (Yes/No)

[illegible]

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
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<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.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: ARMSTRONG TEL NORTH	
Signature of Authorized Officer: CERTIFIED ONLINE	Date: 07/11/2018
Printed name of Authorized Officer: Mark Rankin	
Title or position of Authorized Officer: VP Financial Reporting	
Telephone number of Authorized Officer: 7242830925 ext. 50243	
Study Area Code of Reporting Carrier: 170195	Filing Due Date for this form: 07/16/2018
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
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<010> Study Area Code	170195
<015> Study Area Name	ARMSTRONG TEL NORTH
<020> Program Year	2019
<030> Contact Name- Person USAC should contact regarding this data	Carrie Curtis
<035> Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039> Contact Email Address- Email Address of person identified in data line <030>	ccurtis@agoc.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): _____ 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:
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent Firm:	
Signature of Authorized Agent or Employee of Agent:	Date:
Name of Authorized Agent Employee:	
Title or position of Authorized Agent or Employee of Agent:	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

Attachments

REDACTED - FOR PUBLIC INSPECTION

(800) Operating Companies
Data Collection Form
FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	170195
<015>	Study Area Name	ARMSTRONG TEL NORTH
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com
<810>	Reporting Carrier	Armstrong Tel Co-NO
<811>	Holding Company	Armstrong Holdings, Inc.
<812>	Operating Company	Armstrong Tel Co-NO

[illegible]

REDACTED - FOR PUBLIC INSPECTION

Response Line 610

Armstrong Telephone Company – North

Study Area 170195

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

Voice Network

Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) Armstrong Telephone Company – North (“Armstrong”) meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Armstrong’s central office by use of a generator and batteries that provide to provide emergency power. Armstrong has also sufficient spare cards for its fiber optic network to provide almost instantaneous replacement should there ever be a card failure in the core network. Armstrong also has proper staff in place to repair any fiber cuts in a timely manner. Armstrong has connectivity with neighboring telephone exchanges as well as the LATA tandem to provide diverse options to reroute traffic should an emergency arise. Armstrong has developed and trained its staff on network preparedness plans in case of emergency situations. Armstrong is prepared and capable of managing traffic spikes resulting from emergency situations and has sufficient switching capabilities to handle such situations.

Broadband Network

Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) Armstrong Telephone Company – North (“Armstrong”) meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Armstrong central offices by use of a generator and batteries that provide it with 8 to 12 hours of emergency power that is also used to provide service to the broadband network. In addition, Armstrong field electronics have 8 to 12 hours of back-up power by use of generators and batteries. Armstrong has also sufficient spare cards for its fiber optic network to provide almost instantaneous replacement should there ever be a card failure in the core network. Armstrong also has proper staff in place to repair any fiber cuts in a timely manner. Armstrong has connectivity with neighboring telephone exchanges as well as the LATA tandem to provide diverse options to reroute traffic should an emergency arise. Armstrong has developed and trained its staff on network preparedness plans in case of emergency situations.

Response to Line 1010
Armstrong Telephone Company – North
Study Area 170195

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) Armstrong Telephone Company – North (the “Company”) is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$45.38 as specified in Public Notice DA 17-1093 issued on November 8, 2017. The Company’s current total local end-user rate¹ of \$13.50 (which includes a local fee of \$13.50, mandated state fees of 0.00 and mandatory extended area service charges of \$0.00) is not above the standard deviation as specified in the USF/ICC Transformation Order.²

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

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

Response to Line 1030
Armstrong Telephone Company – North
Study Area 170195

§54.313(a)(11) – BROADBAND SERVICES COMPARABILITY REPORT

Pursuant to 47 C.F.R. § 54.313 (a) (11) Armstrong Telephone Company – North charges a residential rate of \$49.95 for broadband providing 10 Mbps download, 1 Mbps upload, and an unlimited usage allowance. This rate is lower than \$88.13, which is the 2018 reasonable comparability benchmark for the same offering established by the Wireline Competition Bureau.¹

¹ *Wireline Competition Bureau Announces Results of 2018 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes, Public Notice, WC Docket No. 10-90, DA 17-1093 (rel. November 8, 2017).*

REDACTED - FOR PUBLIC INSPECTION

Supplement No. 135 - Telephone – PA P.U.C. No. 2

Armstrong Telephone
Company - North

Section 3
5th Revised Sheet 5
Cancels 4th Revised Sheet 5

LIFELINE SERVICE

A. DESCRIPTION

Lifeline Service is a federally funded program established to provide monthly assistance to residential low income households who qualify for this service in accordance with the following Regulations.

B. REGULATIONS

1. Lifeline Service is available to qualified residence customers and is provided via a residence individual Dial Tone Line. Lifeline Service is limited to only one Service per qualified customer or household (a household is defined as “any individual or group of individuals who are living together as one economic unit” an economic unit is “all adult individuals contributing to and sharing in the income and expenses of a household”). However, a qualified residence customer or household is not eligible for Lifeline Service if they are currently receiving a Lifeline program discount on another service supported by the Federal Communications Commission. A potential Lifeline customer who has an outstanding final bill for telephone service which is less than (4) years old must pay the entire balance of any Basic Service final bill before being eligible for Lifeline Service.

(C)
|
(C)

2. Residence Lifeline Service consists of the following tariffed standard features and optional customer elected services at the applicable rates, charges and regulations for each feature and service provided:
 - a. One-Party Residence Line Rate or Local Measured Service Option
 - b. Directory Listing (standard only).
 - c. Non-Published or Non-Listed Telephone Number Service.
 - d. Access to Directory Assistance Service.
 - e. Touch-Tone Calling Service.
 - f. Access to Message Toll Telephone Service and Optional Dial Station-To-Station Calling Plan Services. However, the Residence Lifeline Dial Tone Line will be blocked from dial station access to 976/556/900 and any other type of Audiotex Service.
 - g. Access to Operator Services.
 - h. Voluntary Toll Restriction Option.
 - i. Access to 800/888 Services.
 - j. Access to Call Trace.
 - k. Access to Alerting and Reporting Systems (9-1-1 dialing).
 - l. Access to the Pennsylvania Telecommunications Relay Service.
 - m. Caller ID Per-call and Per-line Blocking
 - n. Other eligible telecommunications services at tariffed rates.

(C) Indicates Change

Issued: November 2, 2016

Effective: December 2, 2016

REDACTED - FOR PUBLIC INSPECTION

Supplement No. 135 - Telephone – PA P.U.C. No. 2

Armstrong Telephone
Company - North

Section 3
6th Revised Sheet 6
Cancels 5th Revised Sheet 6

LIFELINE SERVICE

B. REGULATIONS (cont'd)

3. An applicant for Lifeline Service must be a current participant in one of the following Pennsylvania programs, or be able to provide proof of household income which is at or below 135% of the annual Federal Poverty Guidelines for all States (except Alaska and Hawaii) and the District of Columbia. Recertification of Lifeline Service participants must be conducted annually by Armstrong Telephone Company-North to ensure continued eligibility. Lifeline customers have the responsibility to notify the Company within thirty (30) days of a change in eligibility status if they no longer qualify for Lifeline Service.

Pennsylvania Department of Human Services (DHS) Programs:

* * *

Supplemental Security Income (SSI)

Medicaid

Supplemental Nutrition Assistance Program (SNAP) (f/k/a Food Stamps)

* * *

Additional Eligible Programs (Federal)

Federal Public Housing

* * *

Veteran's Pension or Survivor's Pension Benefit

The DHS Programs listed above must be certified by DHS. Such certification by DHS will be provided only when a DHS client requests Lifeline Service based on the client's status as a participant in any of the above eligibility programs. Certification by DHS will be limited to confirmation of the client's program status (i.e., participation or non-participation). Participation by DHS is subject to execution of an agreement with DHS and Armstrong Telephone Company-North.

4. Lifeline Service will be provided to a customer only so long as such customer continues to meet the participation and certification guidelines in B-3 above. At the time of initial establishment of Lifeline Service, the customer agrees to have his or her eligibility recertified annually by Armstrong Telephone Company-North. When Armstrong Telephone Company-North is notified by the customer or determines through recertification that the Lifeline Service customer is no longer a participant in the DHS programs in B.3. above or otherwise low-income eligible, the customer will be notified (by telephone or letter) that the Lifeline Service rate is no longer applicable. Within the stated customer notification period (60 days from the date of the notification), the customer can contact the Company to negotiate new Dial Tone Service arrangements at applicable tariff rates (no connection charges will apply for existing services or options retained). If the customer does not contact the Company by the end of the notification period, the Lifeline Service will be changed to applicable Exchange Area Dial Tone Line service at existing tariff rates (no connection charges will apply to existing services or options retained).

(C) Indicates Change

Issued: November 2, 2016

Effective: December 2, 2016

REDACTED - FOR PUBLIC INSPECTION

Supplement No. 135 - Telephone – PA P.U.C. No. 2

Armstrong Telephone
Company - North

Section 3
4th Revised Sheet 7
Cancels 3rd Revised Sheet 7

LIFELINE SERVICE

B. REGULATIONS (cont'd)

5. A Lifeline Service customer may not subscribe to any other type of residence Local Exchange Service at the same or other premises. Lifeline Service will not be provided via Foreign Exchange or Foreign Central Office Service arrangements.

6. Only services listed in B (2) above will be provided to Lifeline customers.

7. Customer requested temporary suspension of Lifeline Service is not permitted.

8. Lifeline Service does not apply to applicants who are full time students living in university or college controlled housing.

* * *

(C)

9. Lifeline customers are subject to all Residence service regulations in this and other tariffs of Armstrong Telephone Company-North.

10. Residence Lifeline Service cannot be resold by the Lifeline customer or the Lifeline customer's agent(s).

11. All outstanding charges, account balances and service restrictions apply to existing customers who qualify for Lifeline Service. Service restrictions will remain until the arrearage(s) have been paid in full.

12. Any Lifeline customer who has a past due balance of Toll Charges will be treated with the appropriate Chapter 64 regulations. The Residence Toll Restoral Charge applies to Lifeline Customers who are suspended for non-payment and who subsequently pay their outstanding toll charges and request toll restoral. If a Lifeline customer is toll restricted for a second occurrence the Company may, at its discretion, place the Lifeline customer on permanent toll restriction.

13. Toll-Blocking and Toll-Control services will be provided at no charge to Lifeline Service subscribers, to the extent that they are offered.

(C) Indicates Change

Issued: November 2, 2016

Effective: December 2, 2016

REDACTED - FOR PUBLIC INSPECTION

Supplement No. 127 - Telephone – PA P.U.C. No. 2

Armstrong Telephone
Company - North

Section 3
3rd Revised Sheet 8
Cancels 2nd Revised Sheet 8

LIFELINE SERVICE

C. LIFELINE SERVICE DIAL TONE LINE MONTHLY RATE

1. Applicable Residence Dial Tone monthly rate minus \$9.25 ⁽¹⁾ (I)
- * * * (C)
2. Lifeline Service is subject to all applicable state, local and federal taxes, and Surcharges, and to all applicable tariff rates, charges, surcharges and regulations (C)

NOTE:

⁽¹⁾ See FCC Public Notice released May 1, 2012, In re: *Lifeline and Link Up Reform and Modernization et al.*, Report and Order and Further Notice of Proposed Rulemaking, WC Dkt. Nos. 11-42 *et al.*, CC Dkt. No. 96-45, FCC 12-11 (rel. Feb. 6, 2012)

(C)
|

(C) Indicates Change

Issued: June 29, 2012

Effective: August 1, 2012

REDACTED - FOR PUBLIC INSPECTION

Annual Lifeline Eligible Telecommunications Carrier Certification Form All carriers must complete all or portions of all sections Form must be submitted to USAC and filed with the Federal Communications Commission

IMPORTANT: PLEASE READ INSTRUCTIONS FIRST

Deadline: January 31st (Annually)

<u>170195</u>		<u>143001387</u>
Study Area Code (SAC)		Service Provider Identification Number (SPIN)
<i>(An Eligible Telecommunications Carrier (ETC) must provide a certification form for each SAC through which it provides Lifeline service).</i>		
<u>2017</u>	<u>PA</u>	<u>Armstrong Telephone Company North</u>
Recertification Year	State	ETC Name
<u>N/A</u>		<u>ARMSTRONG HOLDINGS INC</u>
DBA, Marketing, or Other Branding Name		Holding Company Name
<i>(If same as ETC name, list "N/A" Do <u>not</u> leave blank)</i>		<i>(If same as ETC name, list "N/A" Do not leave blank)</i>

Does the reporting company have affiliated ETCs?

Yes ☒

No ☐

Provide a list of all ETCs that are affiliated with the reporting ETC, using page 4 and additional sheets if necessary. Affiliation shall be determined in accordance with Section 3(2) of the Communications Act. That Section defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person." 47 U.S.C. § 153(2). See also 47 C.F.R. § 76.1200.

Affiliated ETC's SAC	Affiliated ETC's Name

REDACTED - FOR PUBLIC INSPECTION

ETCs Subject to the Non-Usage Requirements

All ETCs must complete the appropriate check-box. ETCs that do not assess and collect a monthly fee from their Lifeline subscribers are subject to the non-usage requirements. ETCs subject to the non-usage requirements must indicate the number of subscribers de-enrolled by month in Section 4. ETCs that only assess a fee but do not collect such fees are subject to the non-usage requirements and must also indicate the number of subscribers de-enrolled by month.

Is the ETC subject to the non-usage requirements? Yes ☒ No ☐

If yes, record the number of subscribers de-enrolled for non-usage by month in Block Q below.

P	Q
Month	Subscribers De-Enrolled for Non-Usage
January	0
February	0
March	0
April	0
May	0
June	0
July	0
August	0
September	0
October	0
November	0
December	0
Total Subscribers	0

For purposes of this filing, an officer is an occupant of a position listed in the article of incorporation, articles of formation, or other similar legal document. An officer is a person who occupies a position specified in the corporate by-laws (or partnership agreement), and would typically be president, vice president for operations, vice president for finance, comptroller, treasurer, or a comparable position. If the filer is a sole proprietorship, the owner must sign the certification.

Initial Certification *All ETCs must complete this section*

I certify that the company listed above has certification procedures in place to:

- A) Review income and program-based eligibility documentation prior to enrolling a consumer in the Lifeline program, and that, to the best of my knowledge, the company was presented with documentation of each consumer's household income and/or program-based eligibility prior to his or her enrollment in Lifeline; and/or
- B) Confirm consumer eligibility by relying upon access to a state database and/or notice of eligibility from the state Lifeline administrator prior to enrolling a consumer in the Lifeline program.

I am an officer of the company named above. I am authorized to make this certification for the Study Area Code listed above.

Initial **SB**

REDACTED - FOR PUBLIC INSPECTION

Minimum Service Level

I certify that the company listed above is in compliance with the minimum service levels set forth in the 47 CFR Section 54.408.

I am an officer of the company named above. I am authorized to make this certification for the SACs listed above.

Initial SB

Annual Recertification

Do not leave empty blocks. If an ETC has nothing to report in a block, enter a zero.

Report the number of Lifeline subscribers due for recertification by month (January-December)

- A. Subscribers eligible for recertification by anniversary month
- B. Subscribers de-enrolled prior to recertification attempts
- C. Total number of subscribers ETC is responsible for recertifying (A-B)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
A.	0	0	0	0	0	0	0	1	2	0	0	0	3
B.	0	0	0	0	0	0	0	0	0	0	0	0	0
C.	0	0	0	0	0	0	0	1	2	0	0	0	3

Recertification Methods

State of federal database

- D. Subscribers recertified through ETC access to state or federal database by anniversary month

Report the number of eligible subscribers verified through access to a state or federal database.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
D.	0	0	0	0	0	0	0	0	0	0	0	0	0

- E. Name of the data source(s) used to verify consumer eligibility:

ETC Direct Contact

- F. Subscribers contacted by ETC directly to recertify (You may also use this section to report subscriber initiated recertifications).

Report the number of Lifeline subscribers the ETC contacted directly to obtain recertification of eligibility

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
F.	0	0	0	0	0	0	0	1	2	0	0	0	3

- G. Subscribers who failed to recertify through ETC direct outreach attempt

Report the number of Lifeline subscribers de-enrolled due to ineligibility or non-response to the ETC's outreach attempt.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
G.	0	0	0	0	0	0	0	0	0	0	0	0	0

REDACTED - FOR PUBLIC INSPECTION

H. Subscribers who recertified through ETC direct outreach attempt

Report the number of Lifeline subscribers that successfully recertified through ETC's outreach attempt.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
H.	0	0	0	0	0	0	0	1	2	0	0	0	3

Third Party

I. Subscribers whose eligibility was reviewed by state administrator, third party administrator, or USAC

Report the number of Lifeline subscribers contacted by a state administrator, third party administrator, or USAC for the purpose of recertification.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
I.	0	0	0	0	0	0	0	0	0	0	0	0	0

J. Name of third party administrator used to verify subscriber eligibility:

K. Subscribers de-enrolled as a result of a third party recertification attempt

Report the number of subscribers as a result of ineligibility or non-response to outreach from a state administrator, third party administrator, or USAC.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
K.	0	0	0	0	0	0	0	0	0	0	0	0	0

L. Subscribers who recertified through a state administrator, third party administrator, or USAC's recertification effort

Report the number of subscribers that recertified through a request from a state administrator, third party administrator, or USAC

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
L.	0	0	0	0	0	0	0	0	0	0	0	0	0

Certification:

Recertification Method: Database

I certify that the company listed above has procedures in place to recertify consumer eligibility by relying on a database. I am an officer of the company named above. I am authorized to make this certification for the SAC(s) listed above.

Initial _____

REDACTED - FOR PUBLIC INSPECTION

Recertification Method: ETC

I certify that the company listed above has procedures in place to recertify the continued eligibility of all of its Lifeline subscribers, and that, to the best of my knowledge, the company obtained signed certifications from all subscribers attesting to their continuing eligibility for Lifeline. I am an officer of the company named above. I am authorized to make this certification for the SAC(s) listed above.

Initial SB

Recertification Method: Third Party

I certify that the company listed above has procedures in place to recertify consumer eligibility by relying on an administrator. I am an officer of the company named above. I am authorized to make this certification for the SAC(s) listed above.

Initial _____

No Subscribers

I certify that my company did not claim federal low income support for any Lifeline subscribers for the current Form 555 data year. I am an officer of the company named above. I am authorized to make this certification for the SAC listed above.

Initial _____

$M = (G+K)$	$N = (D+F+I)$	$O = M/N * 100$
Total number of subscribers de-enrolled as a result of recertification	Total number of subscribers ETC is responsible for recertifying	Percent of subscribers due for recertification who were de-enrolled
0	3	0.0%

Signature Block

By signing below, I certify that the company listed above is in compliance with all federal Lifeline certification procedures. I am an officer of the company named above. I am authorized to make this certification for the Study Area Code (SAC) listed above.

Signed,

Shawn Beqaj - Vice President - Regul

Signature of Officer

sbeqaj@agoc.com

Email Address of Officer

David Ames

Person Completing This Certification Form

Shawn Beqaj - Vice President - I

Printed Name and Title of Officer

Jan 26, 2018

Date

724-283-0925

Contact Phone Number

REDACTED - FOR PUBLIC INSPECTION

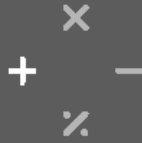
Affiliated ETCs

[illegible]

Response to Line3010
Armstrong Telephone Company – North
Study Area 170195

Milestone Certification

Pursuant to 47 C.F.R. § 54.202(a) Armstrong Telephone Company – North (the “Company”) provides this certification that it is taking reasonable steps to provide upon reasonable request broadband speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to offerings in urban areas as determined in an annual survey as specified in Public Notice DA 17-1093, and that requests for such service are met within a reasonable amount of time. Details for how the Company is meeting its obligations for meeting its goals and required obligations are specified within the FCC Form 481 annual filing.



REPORT OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS

**ARMSTRONG TELEPHONE COMPANY –
NORTH, INC.**

September 30, 2017 and 2016

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Report of Independent Auditors

Board of Directors
Armstrong Telephone Company – North, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of Armstrong Telephone Company – North, Inc. (Company), which comprise the balance sheets as of September 30, 2017 and 2016, and the related statements of income, stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Armstrong Telephone Company – North, Inc. as of September 30, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Moss Adams LLP

Spokane, Washington
December 22, 2017

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Armstrong Telephone Company – North, Inc.
Balance Sheets

ASSETS

	September 30,	
	2017	2016
CURRENT ASSETS		
Cash and cash equivalents	\$ [REDACTED]	\$ [REDACTED]
Subscriber accounts receivable, net of allowance of \$ [REDACTED] in 2017 and 2016, respectively	[REDACTED]	[REDACTED]
Other accounts receivable, net of allowance of [REDACTED] in 2017 and \$ [REDACTED] in 2016	[REDACTED]	[REDACTED]
Income taxes receivable, parent company	[REDACTED]	-
Materials and supplies	[REDACTED]	[REDACTED]
Other current assets	[REDACTED]	[REDACTED]
Total current assets	[REDACTED]	[REDACTED]
NONCURRENT ASSETS		
Deferred income tax assets	[REDACTED]	[REDACTED]
Other noncurrent assets	[REDACTED]	[REDACTED]
Total noncurrent assets	[REDACTED]	[REDACTED]
PROPERTY, PLANT, AND EQUIPMENT		
Telecommunications plant in service	[REDACTED]	[REDACTED]
Nonregulated plant in service	[REDACTED]	[REDACTED]
Telecommunications plant under construction	[REDACTED]	-
Less accumulated depreciation	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	\$ [REDACTED]	\$ [REDACTED]

Armstrong Telephone Company – North, Inc.
Balance Sheets

LIABILITIES AND STOCKHOLDER'S EQUITY

	September 30.	
	2017	2016
CURRENT LIABILITIES		
Accounts payable	\$ [REDACTED]	\$ [REDACTED]
Other accrued liabilities	[REDACTED]	[REDACTED]
Income taxes payable, parent company	-	[REDACTED]
	<hr/>	<hr/>
 Total current liabilities	<hr/> [REDACTED]	<hr/> [REDACTED]
 STOCKHOLDER'S EQUITY		
Common stock (\$ [REDACTED] par value; [REDACTED] shares authorized, [REDACTED] shares issued and outstanding)	[REDACTED]	[REDACTED]
Additional paid-in capital	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]
	<hr/>	<hr/>
	<hr/> [REDACTED]	<hr/> [REDACTED]
	<hr/>	<hr/>
	\$ [REDACTED]	\$ [REDACTED]
	<hr/>	<hr/>

Armstrong Telephone Company – North, Inc.
Statements of Income

	Years Ended September 30,	
	2017	2016
Operating revenues		
Wireline		
Customer	\$ [REDACTED]	\$ [REDACTED]
Intercarrier		
Interstate	[REDACTED]	[REDACTED]
Intrastate	[REDACTED]	[REDACTED]
Universal service support - federal	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Internet	[REDACTED]	[REDACTED]
Miscellaneous		
Equipment	[REDACTED]	[REDACTED]
Carrier billing and collection	[REDACTED]	[REDACTED]
Uncollectible and other	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Total operating revenues	[REDACTED]	[REDACTED]
Operating expenses		
Plant specific operations	[REDACTED]	[REDACTED]
Plant nonspecific operations	[REDACTED]	[REDACTED]
Depreciation	[REDACTED]	[REDACTED]
Customer operations	[REDACTED]	[REDACTED]
Corporate operations	[REDACTED]	[REDACTED]
Other operating taxes	[REDACTED]	[REDACTED]
Nonregulated	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Net operating income	[REDACTED]	[REDACTED]
Nonoperating expense		
Interest and dividend income	[REDACTED]	-
Other nonoperating expense	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Income before income taxes	[REDACTED]	[REDACTED]
Income tax expense	[REDACTED]	[REDACTED]
Net income	\$ [REDACTED]	\$ [REDACTED]

Armstrong Telephone Company – North, Inc.
Statements of Stockholder's Equity

	Common Stock	Additional Paid-In Capital	Retained Earnings	Total
Balance, September 30, 2015	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Net income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Balance, September 30, 2016	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Balance, September 30, 2017	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>[REDACTED]</u>

Armstrong Telephone Company - North, Inc.
Statements of Cash Flows

	Years Ended September 30,	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ [REDACTED]	\$ [REDACTED]
Adjustments to reconcile net income to net cash from operating activities		
Depreciation	[REDACTED]	[REDACTED]
Deferred income taxes	[REDACTED]	[REDACTED]
Change in assets and liabilities		
Receivables	[REDACTED]	[REDACTED]
Other assets	[REDACTED]	[REDACTED]
Accounts and taxes payable	[REDACTED]	[REDACTED]
Other accrued liabilities	[REDACTED]	[REDACTED]
	<hr/>	<hr/>
Net cash from operating activities	[REDACTED]	[REDACTED]
CASH FLOWS FROM INVESTING ACTIVITIES		
Net acquisition of property, plant, and equipment	[REDACTED]	[REDACTED]
NET CHANGE IN CASH AND CASH EQUIVALENTS	[REDACTED]	[REDACTED]
CASH AND CASH EQUIVALENTS, beginning of year	[REDACTED]	[REDACTED]
CASH AND CASH EQUIVALENTS, end of year	\$ [REDACTED]	\$ [REDACTED]
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION		
Cash paid during the year for		
Income taxes	\$ [REDACTED]	\$ [REDACTED]

Armstrong Telephone Company - North, Inc.
Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies

Description of entity – Armstrong Telephone Company – North, Inc. (Company) is an incumbent local exchange carrier that provides telephone and other related telecommunications services, Internet, inside wire, and customer premise equipment in the state of Pennsylvania. The Company is wholly owned by Armstrong Telephone Company – Pennsylvania, Inc.

Accounting policies – The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America, applicable to regulated public utilities. Such accounting principles are consistent, in all material respects, with accounting prescribed by the Federal Communications Commission (FCC).

Accounting estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation expense and interstate access revenues. Actual results could differ from those estimates.

Cash and cash equivalents – Cash and cash equivalents are defined as short-term, highly liquid investments purchased with an original maturity of three months or less, and are readily convertible into cash. Cash equivalents are stated at cost and primarily consist of money market savings accounts.

Concentration of risk – The Company's cash is held by several banking institutions. At various times throughout the year, cash balances exceeded federally insured limits of [REDACTED].

In 2017 and 2016, the Company received \$[REDACTED] or [REDACTED]% and \$[REDACTED] or [REDACTED]%, respectively, of its revenue from the Federal Universal Service Fund.

Accounts receivable – Accounts receivable are stated at the amount management expects to collect on outstanding balances. The Company reviews the collectability of accounts receivable annually based upon an analysis of outstanding receivables, historical collection information, and existing economic conditions. Receivables from subscribers are due 30 days after issuance of the subscriber bill. Receivables from other exchange carriers are typically outstanding from 30 to 60 days before payment is received. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Material and supplies – Material and supplies are valued at the lower of cost or market determined by specific identification.

Armstrong Telephone Company - North, Inc.
Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (continued)

Property, plant, and equipment – Property, plant, and equipment are stated at original cost. Regulated plant includes assets that are jointly used for regulated and nonregulated activities. The cost of additions and substantial betterments of property, plant, and equipment is capitalized. The cost of maintenance and repairs is charged to operating expenses.

In accordance with composite group depreciation methodology, when a portion of Company's regulated depreciable property, plant, and equipment is retired in the ordinary course of business, the gross book value is charged to accumulated depreciation.

Depreciation of Company's nonregulated plant is provided by the straight-line method over the estimated useful lives of the assets. Upon retirement, sale, or other disposition of nonregulated investments, the cost and related accumulated depreciation are removed from the related accounts and the resulting gains or losses are included in operations.

Income taxes – The Company is a member of a group that files consolidated federal and state tax returns. Accordingly, income taxes payable to (refundable from) the tax authorities are recognized on the financial statements of the parent company who is the taxpayer for income tax purposes. The members of the consolidated group allocate payments to any member of the group for the income tax reduction resulting from the member's inclusion in the consolidated return, or the member makes payments to the parent company for its allocated share of the consolidated income tax liability. This allocation approximates the amounts that would be reported if the Company were separately filing its tax returns. The result of these allocations is reported on the accompanying balance sheets under the caption "Income taxes receivable, parent company" or "Income taxes payable, parent company". The parent company files consolidated tax returns with tax authorities based on a fiscal year ending September 30.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for taxable temporary differences and deferred tax liabilities are recognized for deductible temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The Company records uncertain tax positions if the likelihood the position will be sustained upon examination is less than █%. As of September 2017 and 2016, the Company had no accrued amounts related to uncertain tax positions. Interest and penalties, if any, are recorded as interest expense and other expense, respectively.

Armstrong Telephone Company - North, Inc.
Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (continued)

Revenue recognition – Monthly service fees derived from local wireline and Internet are billed one month in advance, but recognized in the month that service is provided.

Usage sensitive revenues such as access (revenues earned for originating/terminating long distance calls) and long distance are generally billed as a per-minute charge. Although these revenues are billed in arrears, an estimate of unbilled revenues is accrued in the month service is provided.

Interstate access revenues also include settlements based on the Company's participation in the revenue pools administered by the National Exchange Carrier Association (NECA). Revenues are determined by formulas that are based upon a representative sample of pooled network facilities, costs, and demand quantities (i.e. minutes of use, access lines, etc.). These formulas are approved by the FCC annually and the pools are subject to a 24-month adjustment period. Management does not anticipate significant adjustments to recorded revenues for the years ended September 30, 2017 and 2016.

Access revenues are classified in wireline revenues above as follows:

- Customer revenues include end user charges such as the Subscriber Line Charge (SLC), the Federal Universal Service Charge (FUSC), the Access Recovery Charge (ARC), and special access billed to end users.
- Universal service support includes the amounts received from the Universal Service Fund for High Cost Loop Support (HCLS), Connect America Fund Broadband Loop Support (CAF BLS), and Connect America Fund Intercarrier Compensation (CAF ICC) support.
- All access charge and settlement revenue except as described above is classified as intercarrier revenue.

Internet revenues are derived from the provision of customer access to the public Internet, excluding revenues attributable to DSL transport (line costs between the customer and the Company's equipment that routes Internet traffic). Interstate access revenues include settlements from NECA that compensate the Company for the DSL transport related to the provision of Internet services.

Wireline universal service support revenue is intended to compensate the Company for the high cost of providing rural telecommunications service. Universal service support revenue includes funds received for HCLS, CAF BLS, CAF ICC, and other miscellaneous programs. HCLS and CAF BLS are based on the Company's relative level of operating expense and plant investment. Support from the CAF ICC is based on a historical frozen amount related to 2011 investment and expenses associated with the switching function and certain 2011 intrastate access revenues, which together make up the CAF ICC base. The CAF ICC base will be reduced by 5% each year in determining CAF ICC support.

Armstrong Telephone Company - North, Inc.
Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (continued)

Regulation – The Company's services are subject to rate regulation as follows:

- Local telephone and intrastate access revenues are regulated by the Pennsylvania Public Utilities Commission. The FCC also has assumed preemptive authority to regulate intrastate telecommunications services, including intrastate access rates.
- Interstate access revenues are regulated by the FCC through its regulation of rates and settlements procedures as administered by NECA.
- Universal service revenues are administered by Universal Service Administrative Company (USAC), based on rules established by the FCC.

The FCC released an Order and Further Notice of Proposed Rulemaking (FNPRM) in 2016, that reformed the High Cost Program supporting rate-of-return carriers. The following changes have been implemented to modernize the program:

- Provides support for stand-alone broadband services and investment;
- Requires broadband deployment based on the number of locations lacking service and the cost of providing service;
- Requires allowances for capital investments and limits on operational expenses; and
- Phases out support for areas served by a qualifying competitor.

The FNPRM also created two paths to receive high cost support for rate of return carriers. The model-based option is voluntary and is a fixed amount of support for ten years. The legacy mechanism reformed the existing ICLS mechanism to support stand-alone broadband and is now known as the Connect America Fund Broadband Loop Support (CAF BLS).

Effective November 1, 2016, the Company made an election to remain on the reformed legacy mechanism as described above.

Other sources of revenues are not rate regulated, and include Internet, long distance, equipment sales, billing and collection, and other incidental services.

Nonregulated expenses and nonregulated plant are directly attributable to the following nonregulated services: Internet and miscellaneous revenues.

All other operating expenses and telecommunications plant are related primarily to wireline revenues. However, some of these costs jointly relate to regulated and nonregulated services. For interstate access settlements, universal service support, rate case, and other regulatory purposes, the portion of these common costs related to nonregulated activities are removed in accordance with Part 64 of the FCC rules in order to ensure that regulated revenues are based on costs of providing regulated services.

Armstrong Telephone Company - North, Inc.
Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (continued)

Advertising expenses – The Company expenses advertising costs as incurred. Advertising expenses during the years ended September 30, 2017 and 2016, were [REDACTED] and \$ [REDACTED], respectively.

Allowance for funds used during construction (AFUDC) – The Company records income as an allowance for funds used during construction and capitalizes as a cost of construction the cost of financing large construction projects spanning a period greater than two months. Company uses a weighted-average interest rate based on total Company long-term debt. No amounts were capitalized at September 30, 2017 and 2016.

Subsequent events – Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are available to be issued. The Company recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements. The Company's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the balance sheet date and before the financial statements are available to be issued.

The Company has evaluated subsequent events through December 22, 2017, which is the date the financial statements are available to be issued.

Note 2 – Property, Plant, and Equipment

Telecommunications plant balances, together with accumulated depreciation balances, consist of the following at September 30:

	Depreciation Rate	Plant Account	Accumulated Depreciation	2017 Net Balance	2016 Net Balance
Regulated plant					
General support assets	5 - 20 years	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Central office assets	8 - 12 years	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Cable and wire facilities	10 - 30 years	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Plant under construction	n/a	[REDACTED]	[REDACTED]	[REDACTED]	-
		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Nonregulated plant					
Internet	5 years	[REDACTED]	[REDACTED]	-	-
Customer premise equipment	5 years	[REDACTED]	[REDACTED]	-	-
		[REDACTED]	[REDACTED]	-	-
		\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

Armstrong Telephone Company - North, Inc.
Notes to Financial Statements

Note 3 – Income Taxes

The components of the provision for income tax benefit (expense) are:

	Years Ended September 30,	
	2017	2016
Current		
Federal	\$ [REDACTED]	\$ [REDACTED]
State	[REDACTED]	[REDACTED]
Deferred		
Federal	[REDACTED]	[REDACTED]
State	[REDACTED]	[REDACTED]
	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

The provision for income taxes differs from the amount computed by applying the current statutory federal income tax rate to earnings before taxes due to the effects of state taxes (net of federal benefit), nondeductible items, nontaxable items, and prior year over or under accruals.

The components of the net deferred tax (assets) and liabilities recorded in the accompanying balance sheets are:

	September 30,	
	2017	2016
Deferred tax assets		
Allowance for doubtful accounts	\$ [REDACTED]	\$ [REDACTED]
Book amortization and depreciation greater than tax	[REDACTED]	[REDACTED]
	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total deferred tax assets	[REDACTED]	[REDACTED]
Deferred tax liabilities		
Allowance for doubtful accounts	[REDACTED]	-
Prepaid expenses deducted for tax	[REDACTED]	[REDACTED]
	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total deferred tax liabilities	[REDACTED]	[REDACTED]
	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>
Net deferred tax assets	[REDACTED]	[REDACTED]

The Company has income taxes receivable from the parent company of \$ [REDACTED] and income taxes payable to the parent company of [REDACTED] at September 30, 2017 and 2016, respectively.

Armstrong Telephone Company - North, Inc.
Notes to Financial Statements

Note 4 – Pension Plan

Armstrong Utilities, Inc. (AUI), an affiliate, has a noncontributory defined contribution retirement plan (Plan), which covers certain affiliates and substantially all employees of the Company. AUI and certain affiliates, including the Company, contribute █% of the annual base earnings of all participants to the Plan. There were no pension costs for the Company for the years ended September 30, 2017 and 2016.

Note 5 – Related Party Transactions

The Company is an affiliate of the Armstrong Group of Companies and participated in various related party transactions listed below.

The Company received data processing, billing, and other support services from Judco Management, Inc. (Judco) in the amounts of \$█ and █ for the years ended September 30, 2017 and 2016, respectively. Additionally, the Company paid Judco \$█ for office rent and \$█ for the use of the corporate airplane for both years ended September 30, 2017 and 2016.

The Company received management and other administrative services from Judco in the amount of █ for both years ended September 30, 2017 and 2016.

The Company received engineering and network support services from AUI in the amounts of █ and █ for the years ended September 30, 2017 and 2016, respectively. Additionally, the Company paid AUI \$█ and \$█ for marketing and operations support services for the years ended September 30, 2017 and 2016, respectively.

The Company also received construction services from Armstrong Telephone Company – New York, Inc. in the amounts of █ and █ for the years ended September 30, 2017 and 2016, respectively.

As of September 30, 2017 and 2016, included in other accounts receivable, the Company had accounts receivable from affiliates of █ and \$█ respectively, and included in accounts payable, the Company had accounts payable to affiliates of \$█ and \$█ respectively.