

Response Line 100
Spruce Knob Seneca Rocks Telephone
Study Area:200257

Broadband Upgrades : 2015

Project Description	Area Served/Wire center	Estimated Start Date	Estimated Completion Date	Estimated Population Served	Estimated Capital Costs
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Spruce Knob Seneca Rocks Telephone has no specific planned upgrades other than maintenance and upkeep. See Operating Expense schedule below for projected expenses related to to meeting its broadband obligations within its service area, completing service requests within a reasonable amount of time, and providing reliable, state-of-the-art, high-quality voice and broadband service to customers in its study area.

Broadband Upgrades : 2016

Project Description	Area Served/Wire center	Estimated Start Date	Estimated Completion Date	Estimated Population Served	Estimated Capital Costs
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Response Line 100

Spruce Knob Seneca Rocks Telephone

Study Area:200257

Broadband Upgrades : 2017

Project Description	Area Served/Wire center	Estimated Start Date	Estimated Completion Date	Estimated Population Served	Estimated Capital Costs
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Spruce Knob Seneca Rocks Telephone has no specific planned upgrades other than maintenance and upkeep. See Operating Expense schedule below for projected expenses related to to meeting its broadband obligations within its service area, completing service requests within a reasonable amount of time, and providing reliable, state-of-the-art, high-quality voice and broadband service to customers in its study area.

Broadband Upgrades : 2018

Project Description	Area Served/Wire center	Estimated Start Date	Estimated Completion Date	Estimated Population Served	Estimated Capital Costs
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Spruce Knob Seneca Rocks Telephone has no specific planned upgrades other than maintenance and upkeep. See Operating Expense schedule below for projected expenses related to to meeting its broadband obligations within its service area, completing service requests within a reasonable amount of time, and providing reliable, state-of-the-art, high-quality voice and broadband service to customers in its study area.

Response Line 100

Spruce Knob Seneca Rocks Telephone

Study Area:200257

Broadband Upgrades : 2019

Project Description	Area Served/Wire center	Estimated Start Date	Estimated Completion Date	Estimated Population Served	Estimated Capital Costs
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Spruce Knob Seneca Rocks Telephone has no specific planned upgrades other than maintenance and upkeep. See Operating Expense schedule below for projected expenses related to meeting its broadband obligations within its service area, completing service requests within a reasonable amount of time, and providing reliable, state-of-the-art, high-quality voice and broadband service to customers in its study area.

Response Line 100
 Spruce Knob Seneca Rocks Telephone
 Study Area:200257

REDACTED-FOR PUBLIC INSPECTION

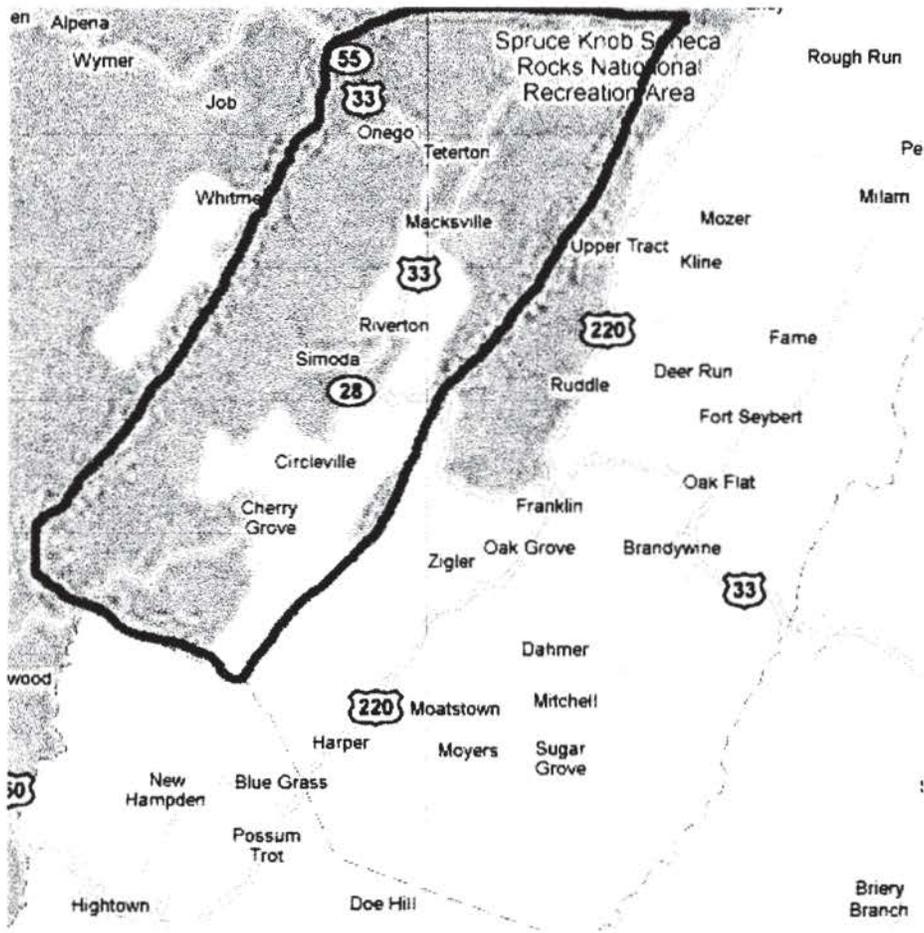
The Company projects that the capital expenditures, by Part 32 accounts for 2015 through 2019, including those related to the above identified projects will be:

		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
2110 Land & General Support						
2210 Central Office Switching						
2230 Central Office Transmission						
2410 Cable & Wire Facilities						
Total Capital Expenditures						

The Company projects that the Opex expenditures, by Part 32 accounts for 2015 through 2019, including those related to the above identified projects will be:

		FY 2015	FY 2016	FY 2017	FY2018	FY 2019
Plant Specific						
Plant Nonspecific						
Depreciation						
Customer Operations						
Corporate Operations						
Total Operating Expenses						

SERVICE AREA MAP





SpruceKnob.net Calling Plans

Lifeline

Spruce Knob Seneca Rocks Telephone, Inc. (SKSRT) participates in the federal Link-Up America and Lifeline Assistance programs which are available to qualifying low-income subscribers. Lifeline Assistance enables eligible low-income subscribers to receive flat-rate support of \$9.25 per line for service. Only eligible consumers may enroll in the program. Each state has its own guidelines to qualify. The application and qualification process differs by state and sometimes by individual phone company.

How much can I save on my phone bill?

You will save \$9.25 on your basic monthly bill if you qualify. These benefits apply to your local telephone service charges that you purchase as a flat rate service. These benefits will also cover your subscriber line charge.

How do I know if I am eligible?

To be eligible, a subscriber must either have an income that is at or below 135% of the Federal Low-Income Program or participate in one of the following assistance 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; Temporary Assistance to Needy Families; or the National School Lunch Program's free lunch program.

Program-based eligibility:

- Federal Public Housing Assistance/Section 8
 - Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Medicaid
 - Supplemental Security Income (SSI)
 - National School Lunch (free program only)
 - West Virginia Works a.k.a. Temporary Assistance for Needy Families (TANF)
- Income-based eligibility:
- Total household income at or below 135% of the Federal Poverty Guidelines

Are there any restrictions?

The program is limited to one benefit per household, consisting of either wireline or wireless service. The name on the application must match the name of the household member participating in the eligible program (with the exception of the National School Lunch free program).

What information do I need to provide to receive Lifeline benefits?

You will be asked to provide proof of your eligibility by providing a form signed under penalty of perjury that you receive benefits from or a copy of any dated document which verifies your participation in one of the qualifying programs listed above. Documentation can be obtained through your social worker or from the West Virginia Department of Health and Human Resources (DHHR). Proof of total household income may be required for income-based qualification. Your Lifeline benefits will take effect when proof of eligibility is received.

Riverton Office: 17009 Mountaineer Drive | PO Box 100 | Riverton, WV 26814 | P: 304.567.2121 | F: 304.567.2407

Green Bank Office: 4912 Potomac Highlands Trail | PO Box 60 | Green Bank, WV 24944 | P: 304.456.5545

Franklin Office: 72 North Main | PO Box 869 | Franklin, WV 26807 | P: 304.902.9090

SpruceKnob.net Calling Plans



How do I apply?

Certification forms may be obtained from the West Virginia Department of Health and Human Resources. Those claiming to qualify based on income must present acceptable documentation of the household income. Acceptable documentation includes: the prior year's tax return, current income statement from an employer or paycheck stub, a Social Security statement of benefits, a Veterans Administration statement of benefits, a retirement/pension statement of benefits, an Unemployment/Workmen's Compensation statement of benefits, federal or tribal notice letter of participation in General Assistance, a divorce decree, child support, or other official document. The program is limited to one benefit per household, consisting of either wireline or wireless service. Consumers who willfully make false statements in order to obtain program benefits can be punished with a fine or imprisonment or barred from the program.

How do I continue to receive Lifeline benefits?

Eligibility is reviewed annually. Your benefits will be discontinued when you no longer meet the eligibility requirements according to the DHHR or when proof of eligibility is not received.

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Spruce Knob Seneca Rocks Telephone (SAC – 200257)
Milestone Certification

As required in 47 C.F.R. § 54.313(f)(1)(i), Spruce Knob Seneca Rocks Telephone hereby certifies that it has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 4 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 reasonably comparable offerings in urban areas, and that requests for such service are met within a reasonable amount of time.

Spruce Knob Seneca Rocks Telephone (SAC – 200257)
Community Anchor Institutions

As required in 47 C.F.R. § 54.313(f)(1)(ii), Spruce Knob Seneca Rocks Telephone hereby certifies that there were no new community anchor institutions to which the Cooperative began providing access to broadband services in the preceding calendar year. The reason there are no newly served community anchor institutions is because they were already being served.

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

WV0523

PERIOD ENDING

December, 2014

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	474,868	542,666
2. Network Access Services Revenues	2,083,894	2,015,721
3. Long Distance Network Services Revenues	106,673	117,146
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues	37,932	11,765
6. Uncollectible Revenues	10,703	
7. Net Operating Revenues (1 thru 5 less 6)	2,692,664	2,687,298
8. Plant Specific Operations Expense	251,927	295,293
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	164,361	175,569
10. Depreciation Expense	887,643	1,265,602
11. Amortization Expense		
12. Customer Operations Expense	317,115	384,744
13. Corporate Operations Expense	497,290	511,148
14. Total Operating Expenses (8 thru 13)	2,118,336	2,632,356
15. Operating Income or Margins (7 less 14)	574,328	54,942
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes	49,082	59,136
20. Total Operating Taxes (17+18+19)	49,082	59,136
21. Net Operating Income or Margins (15+16-20)	525,246	(4,194)
22. Interest on Funded Debt	318,098	281,100
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction	0	0
26. Total Fixed Charges (22+23+24-25)	318,098	281,100
27. Nonoperating Net Income	1,414	879
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	(420,309)	(20,940)
31. Total Net Income or Margins (21+27+28+29+30-26)	(211,747)	(305,355)
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date	(81,015)	14,785
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital	(292,762)	(290,570)
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	0	0
40. Patronage Capital Beginning-of-Year	1,978,952	1,686,190
41. Transfers to Patronage Capital	(292,762)	(290,570)
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)	1,686,190	1,395,620
44. Annual Debt Service Payments	873,172	945,073
45. Cash Ratio [(14+20-10-11) / 7]	0.4753	0.5306
46. Operating Accrual Ratio [(14+20+26) / 7]	0.9231	1.1062
47. TIER [(31+26) / 26]	0.3343	-0.0863
48. DSCR [(31+26+10+11) / 44]	1.1384	1.3135

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

PERIOD ENDED
December, 2014

INSTRUCTIONS - See RUS Bulletin 1744-2

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

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Riverton	25.00	15.00	193	936	1,129	468.00	468.00
MobileWireless					0		
Route Mileage Outside Exchange Area						101.00	101.00
Total			193	936	1,129	569.00	569.00
No. Exchanges	1						

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

PERIOD ENDED
December, 2014

INSTRUCTIONS - See RUS Bulletin 1744-2

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

4. BROADBAND SERVICE

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Details on Least Expensive Broadband Service					
			Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Riverton	1,129	583	501	3,000	1,500	39.95	StandAlone	Fiber to the Home
Total	1,129	583						

OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

WV0523

PERIOD ENDING

December, 2014

INSTRUCTIONS- See RUS Bulletin 1744-2

PART D. SYSTEM DATA

1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
6	9	250	4.52	1.98

PART E. TOLL DATA

1. Study Area ID Code(s) a. 200257 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one)	
	Interstate:	<input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
	Intrastate:	<input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	174,132
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	174,132

PART G. INVESTMENTS IN AFFILIATED COMPANIES

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

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

WV0523

PERIOD ENDING

December, 2014

PART H. CURRENT DEPRECIATION RATES

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

YES NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	10.00%
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	2.65%
6. Land and support assets - Furniture and Office equipment	6.67%
7. Land and support assets - General purpose computers	14.29%
8. Central Office Switching - Digital	11.76%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	9.09%
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	7.00%
19. Cable and wire facilities - Aerial cable - Metal	5.00%
20. Cable and wire facilities - Aerial cable - Fiber	4.00%
21. Cable and wire facilities - Underground cable - Metal	5.00%
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

USDA-RUS

BORROWER DESIGNATION

WV0523

OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS

PERIOD ENDED

December, 2014

INSTRUCTIONS – See help in the online application.

PART I – STATEMENT OF CASH FLOWS

1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	418,595
CASH FLOWS FROM OPERATING ACTIVITIES	
2. Net Income	(305,355)
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>	
3. Add: Depreciation	1,265,602
4. Add: Amortization	0
5. Other (Explain)	
<i>Changes in Operating Assets and Liabilities</i>	
6. Decrease/(Increase) in Accounts Receivable	(13,896)
7. Decrease/(Increase) in Materials and Inventory	(25,314)
8. Decrease/(Increase) in Prepayments and Deferred Charges	0
9. Decrease/(Increase) in Other Current Assets	16,988
10. Increase/(Decrease) in Accounts Payable	113,973
11. Increase/(Decrease) in Advance Billings & Payments	0
12. Increase/(Decrease) in Other Current Liabilities	(37,416)
13. Net Cash Provided/(Used) by Operations	1,014,582
CASH FLOWS FROM FINANCING ACTIVITIES	
14. Decrease/(Increase) in Notes Receivable	0
15. Increase/(Decrease) in Notes Payable	12,000
16. Increase/(Decrease) in Customer Deposits	(222)
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	(683,985)
18. Increase/(Decrease) in Other Liabilities & Deferred Credits	0
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	(100)
20. Less: Payment of Dividends	0
21. Less: Patronage Capital Credits Retired	0
22. Other (Explain)	
23. Net Cash Provided/(Used) by Financing Activities	(672,307)
CASH FLOWS FROM INVESTING ACTIVITIES	
24. Net Capital Expenditures (Property, Plant & Equipment)	(174,132)
25. Other Long-Term Investments	234,633
26. Other Noncurrent Assets & Jurisdictional Differences	0
27. Other (Explain) To account for accumulated depreciation and retirements	(363,243)
28. Net Cash Provided/(Used) by Investing Activities	(302,742)
29. Net Increase/(Decrease) in Cash	39,533
30. Ending Cash	458,128

Revision Date 2010

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION WV0523
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2014
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION WV0523
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2014
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	