

FCC Form 481 - Carrier Annual Reporting
Data Collection Form

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

<010> Study Area Code	290570
<015> Study Area Name	LORETTO TEL CO
<020> Program Year	2017
<030> Contact Name: Person USAC should contact with questions about this data	Desda Hutchins
<035> Contact Telephone Number: Number of the person identified in data line <030>	9318534351 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	desda@lorettotel.com
Form Type	54.313 and 54.422

(100) Service Quality Improvement Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	290570
<015>	Study Area Name	LORETTO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Deeda Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	deeda@lorettotel.com

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

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

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

290570TN112.pdf

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

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

Yes
Not Applicable

**(300) Unfulfilled Service Request
Data Collection Form**

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

<010> Study Area Code	290570
<015> Study Area Name	LORETTO TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035> Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.com

<300> Unfulfilled service request (voice)

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband)

<330> Detail on attempts (broadband)

Name of Attached Document

(400) Number of Complaints per 1,000 customers Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	29051C
<015> Study Area Name	LOREZO TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Dorinda Hutchins
<035> Contact Telephone Number - Number of person identified in data line <030>	9318514351 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dorinda@loretotel.com

<400> Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed voice

<410> Complaints per 1000 customers for fixed voice 0.0

<420> Complaints per 1000 customers for mobile voice

<430> Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed broadband

<440> Complaints per 1000 customers for fixed broadband 0.4067

<450> Complaints per 1000 customers for mobile broadband

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

FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0619
 July 2013

<010>	Study Area Code	290570
<015>	Study Area Name	LORETTO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USA C should contact regarding this data	Deeda Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9314574351 ext -
<039>	Contact Email Address - Email Address of person identified in data line <030>	deeda@lorettotel.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	290570707N500 . pdf

**(600) Functionality in Emergency Situations
Data Collection Form**

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

<010> Study Area Code	290570
<015> Study Area Name	LORETTO TEL CO
<020> Program Year	2011
<030> Contact Name - Person USAC should contact regarding this data	Donda Hutchins
<035> Contact Telephone Number - Number of person identified in data line <030>	918524151 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	donda@loretcoel.com
<600> Certify compliance regarding ability to function in emergency situations	Yes
<610> Descriptive document for Functionality in Emergency Situations	290570TNE10.pdf

(900) Tribal Lands Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986 / OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	290570
<015> Study Area Name	LORETTO TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035> Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.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 document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) 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

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

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

<010>	Study Area Code	290570
<015>	Study Area Name	LORETO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.com

<1000> Voice services rate comparability certification Yes

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

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

Name of Attached Document

(1100) No Terrestrial Backhaul Reporting
Data Collection Form

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

<010>	Study Area Code	290570
<015>	Study Area Name	LORETTO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.com

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

<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).

(1200) Terms and Condition for Lifeline Customers Lifeline Data Collection Form	FCC Form 481
	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010> Study Area Code	290570
<015> Study Area Name	LORETTO TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035> Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans



Name of Attached Document

<1220> Link to Public Website HTTP www.lorettotel.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.

(2000) Price Cap Carrier Additional Documentation Data Collection Form <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	290570
<015>	Study Area Name	LORETTO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.com

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

Incremental Connect America Phase I reporting

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

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

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

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

<2024A> Round 2 Recipient of Incremental Support?

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

Name of Attached Document Listing Required Information

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

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

Name of Attached Document Listing Required Information

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

<p>(2000) Price Cap Carrier Additional Documentation (Continued) Data Collection Form Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</p>	<p>FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013</p>
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Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

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

<2017A> Connect America Fund Phase II recipient?

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

Name of Attached Document Listing Required Information

cap carrier used for capital expenditures in 2015.

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

Name of Attached Document Listing Required Information

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

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

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

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

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

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

FCC Form 401
OMB Control No. 3060-0986/OMB Control No. 3060-0813
July 2013

<010>	Study Area Code	290570
<015>	Study Area Name	LORETTO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.com

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

Progress Report on 5 Year Plan
Carrier certifies to 54.313(f)(1)(iii)

Yes - Attach Certification

(3010A) Milestone Certification (47 CFR § 54.313(f)(1)(i)) 2905707N3010.docx

(3010B) Please Provide Attachment Name of Attached Document Listing Required Information

(3012A) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii)) No - No New Community Anchors

(3012B) Please Provide Attachment Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) (Yes/No)

(3014) If yes, does your company file the RUS annual report (Yes/No)

Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

(3016) Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, is your company audited? (Yes/No)

If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3021) Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit. If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers

(3023) Underlying information subjected to a review by an independent certified public accountant

(3024) Underlying information subjected to an officer certification.

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3026) Attach the worksheet listing required information Name of Attached Document Listing Required Information 2905707N3026.pdf

(4005) Rural Broadband Experiment Additional Documentation
Data Collection Form

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

<010>	Study Area Code	290570
<015>	Study Area Name	LORETO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Deeds Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9318524352 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	deeda@loretotel.com

4005 Rural Broadband Experiment

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

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission’s public interest obligations. All RBE participants must provide a response to Line 4001.

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

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

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

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

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information _____

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

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

Name of Attached Document Listing Required Information _____

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

Name of Attached Document Listing Required Information _____

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	290570
<015> Study Area Name	LORETTO TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035> Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	desda@lorettote1.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:	LORETTO TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date 06/09/2016
Printed name of Authorized Officer:	Desda Hutchins
Title or position of Authorized Officer:	Chief Financial Officer
Telephone number of Authorized Officer:	9318534351 ext.128
Study Area Code of Reporting Carrier:	290570 Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3050-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	290570
<015>	Study Area Name	LORETTO TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Desda Hutchins
<035>	Contact Telephone Number - Number of person identified in data line <030>	9318534351 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	desda@lorettotel.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: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

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

Attachments

Five-Year Network Improvement Plan Progress Report For
Loretto Telephone Company

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

Pursuant to 47 C.F.R. § 54.313(a)(1), recipients should submit “[a] progress report on its five-year service quality improvement plan pursuant to § 54.202(a), including maps detailing its progress towards meeting its plan targets, an explanation of how much universal service support was received and how it was used to improve service quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled in the prior calendar year. The information shall be submitted at the wire center level or census block as appropriate. Accordingly, Company hereby provides the following required elements of its progress report for 2015 to satisfy Form 481 reporting obligations.

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

A. 2015 Five-Year Plan Progress Report

The Company hereby reports that for 2015, it has made the following progress on meeting targets specified in its five-year network improvement plan and that during 2015, it has used the amount of USF, specified under Section B below, solely for which the support was intended. Details regarding the progress are contained in **Appendix A** and **Appendix B**.

Appendix A reflects the major network improvement projects for the calendar years 2015 through 2019, along with the start and completion dates, status/progress of the projects, areas and population associated with those projects, total projected capital expenditures, and the 2015 actual capital expenditures.

The first table in **Appendix B** included herein specifies the capital expenditures (projects) in **Appendix A**, by Part 32 account, for calendar year 2015. Specifically, the table shows the 2015 capital expenditures as filed July 1, 2015, the 2015 actual capital expenditures, and the difference.

In the second table of **Appendix B**, the projected operating expenses are provided for calendar year 2015, including depreciation expense for both embedded plant investment and for capital expenditures, which begins when the capital expenditures are projected to be placed into service. Specifically, the table shows the 2015 operating expenditures as filed July 1, 2015, the 2015 actual operating expenditures, and the difference.

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

Loretto received a total of \$1,189,590 in high cost universal service support (“USF”) in 2015 through the following mechanisms:

- \$698,424 for Interstate Common Line Support (“ICLS”);

- \$0 for High Cost Loop Support (“HCLS”);
- \$491,166 for ICC CAF Support;
- \$0 for Safety Net Additive (“SNA”) (if applicable)
- \$0 for Safety Valve Support (“SVS”) (if applicable).

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

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

The Form 481 Instructions require ETCs to indicate that a company’s progress report quantifies how much USF was received for its service area and that the USF is broken out separately by the amount spent on capital expenses and the amount spent on operating expenses.³ Pursuant to these instructions, the Company hereby reports that for calendar year 2015, the Company spent \$116,504 in CapEx and \$3,631,419 in OpEx to improve service quality, coverage and/or

² 47 U.S.C. § 254(e).

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

capacity through the projects identified in **Appendix A**. Details regarding these expenditures can be found in **Appendix B**.

While the total amount of these expenditures exceed the amount of federal USF received in 2015, there is no correlation between these expenditures and the amount of USF that the Company received in 2015. USF disbursement received by the Company and other rural incumbent local exchange companies is divided into three main categories: Interstate Common Line Support (“ICLS”); High Cost Loop Support (“HCLS”); and CAF-ICC Support (“CAF-ICC”).

The ICLS received in 2015 was based on annual projected data submitted by the Company in March 31, 2014, which is subject to an annual true-up process based on actual data that will be submitted on December 31, 2016, for the previous calendar year (*i.e.*, 2015). Like ICLS, CAF-ICC support was also based on projected demand submitted on July 1, 2014, which is subject to an annual true-up process based on actual data submitted on July 1, 2015, for the previous tariff year (*i.e.* July 1, 2014 through June 30, 2015). Further, HCLS received by a rural LEC in 2015 was based on December 31, 2013 financials. Quarterly updates could then be based on March 31, 2014, June 30, 2014, and September 30, 2014 financials.

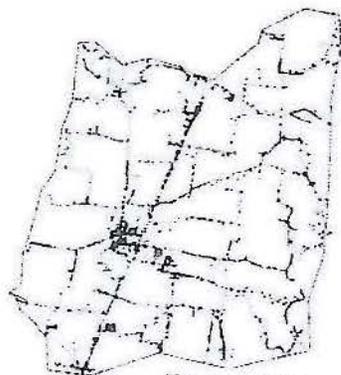
D. Maps Depicting the Company’s Network Progress

Attached to this progress report as **Appendix C** is Company’s map depicting the extent of the Company’s network within its service area and detailing progress on the specific projects contained in its five-year plan.

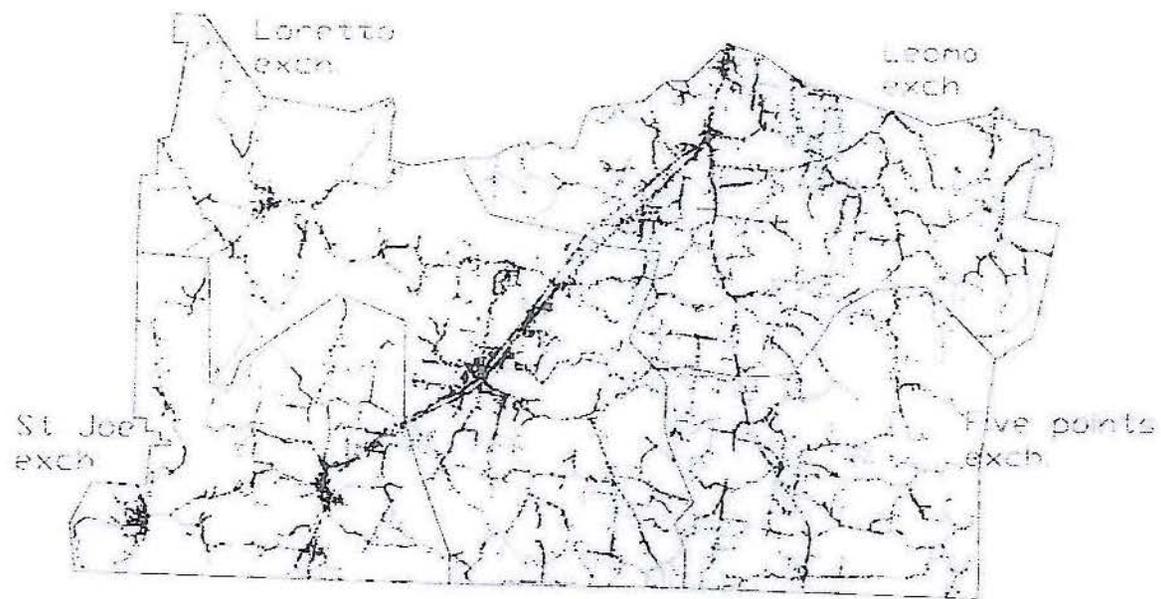
E. Network Improvement Targets Not Met

Loretto did not have any projects schedule to complete in 2015. All projects are in progress and on track.

10 neg
4 neg



Ethridge
exch.



Appendix A- Progress Report on Five-Year Plan

CONFIDENTIAL

Study Area Code	290570
Study Area Name	Loretto Telephone Company
Company Contact Name	Desha Hutchins
Contact Telephone Number	231-853-4351
Contact Email Address	desda@lorettotel.com

PROJECT LIST FOR 2015-2019

Project	Start Date	Completion Date	Status/Progress	Areas	Population	Total Dollars	2015 Actual Capital Expenditures
Expansions and Upgrades to DSL	1/1/2015	12/1/2019	20% COMPLETE	Entire Service Area	10,771	\$ 68,145	\$ 10,984
Replacement of Batteries in Remotes	9/1/2015	11/30/2019	15% COMPLETE	Entire Service Area	10,771	\$ 13,500	\$ 12,655
Expansion of Special Access	1/1/2015	12/1/2019	N/A	Entire Service Area	10,771	\$ 16,250	\$ -
New Generators for Switching Equip & Transport	1/1/2015	12/31/2019	N/A	Entire Service Area	10,771	\$ 15,000	\$ 5,980
Maintenance & Upgrades to Cable & Wire Facilities	1/1/2015	12/31/2019	25% COMPLETE	Entire Service Area	10,771	\$ 150,000	\$ 38,169
Material & Supplies	1/1/2015	12/31/2019	20% COMPLETE	Entire Service Area	10,771	\$ 150,000	\$ 28,552
Vehicles	1/1/2015	12/31/2019	5% COMPLETE	Entire Service Area	10,771	\$ 150,000	\$ -
Support Assets, Computers	1/1/2015	12/31/2019	50% COMPLETE	Entire Service Area	10,771	\$ 25,000	\$ 20,164
						\$ 587,895	\$ 116,504

Appendix B - Progress Report on Five-Year Plan

CONFIDENTIAL

Utility Area Code	290570
Utility Area Name	Loretto Telephone Company
Company Contact Name	Desda Hutchins
Contact Telephone Number	931-851-4351
Contact Email Address	desda@lorettotel.com

Regulated Capital Expenditure (CapEX)					
Account	Description	2015 As Filed 1, 2015	July	2015 Actual Expenditures	Difference
2111 & 2121	Land & Building	\$ -	\$ -	\$ 7,900	\$ (7,900)
2112	Vehicles	\$ 30,000	\$ -	\$ 6,172	\$ 23,828
2122-2124	Support Assets	\$ 5,000	\$ -	\$ 6,092	\$ (1,092)
2210	Switching Equipment	\$ 7,500	\$ -	\$ 29,618	\$ (22,118)
2232	Circuit Equipment	\$ 19,579	\$ -	\$ -	\$ 19,579
2410	Cable & Wire Facilities	\$ 30,000	\$ -	\$ 38,170	\$ (8,170)
1220	Materials & Supplies	\$ 30,000	\$ -	\$ 28,552	\$ 1,448
	Total Capital Expenditures	\$ 122,079	\$ -	\$ 116,504	\$ 5,575

Regulated Operating Expense (OpEx)					
Account	Operating Expenses	2015 As Filed 1, 2015	July	2015 Actual Expenditures	Difference
6110-6120	General Support Maintenance	\$ 450,000	\$ -	\$ 434,951	\$ 15,049
6210	Switching Maintenance	\$ 170,000	\$ -	\$ 189,110	\$ (19,110)
6230	COE Transmission Maintenance	\$ 42,000	\$ -	\$ 42,735	\$ (735)
6410	Cable & Wire Facilities	\$ 261,000	\$ -	\$ 258,672	\$ 2,328
6530	Non-Specific (Testing, Plant Op., Engineering)	\$ 290,000	\$ -	\$ 348,696	\$ (58,696)
6561-2110	General Support Depreciation	\$ 94,850	\$ -	\$ 58,337	\$ 36,513
6561-2210	Switching Depreciation	\$ 213,575	\$ -	\$ 225,954	\$ (12,379)
6561-2230	Circuit Equip Depreciation	\$ 37,800	\$ -	\$ 39,978	\$ (2,178)
6561-2410	Cable & Wire Depreciation	\$ 408,750	\$ -	\$ 398,476	\$ 10,274
6610-6620	Customer Operations	\$ 250,000	\$ -	\$ 318,055	\$ (68,055)
6711-6720	Corporate Operations	\$ 1,230,000	\$ -	\$ 1,162,790	\$ 67,210
7240	Ad Valorem Expense	\$ 125,000	\$ -	\$ 153,665	\$ (28,665)
	Total Operating Expenses	\$ 3,572,975	\$ -	\$ 3,631,419	\$ (58,444)

Loretto Telephone Company Inc.'s demonstration of complying with applicable service quality standards and consumer protection rules:

In establishing this certification in its *2005 ETC Order*,¹ the FCC found that an ETC must make "a specific commitment to objective measures to protect consumers."² The FCC found that for wireless ETCs, compliance with CTIA's Consumer Code for Wireless Service would satisfy this requirement" and that the sufficiency of other commitments would be considered on a case-by-case basis.³In this context, the FCC stated, "to the extent a wireline or wireless ETC applicant is subject to consumer protection obligations under state law, compliance with such laws may meet our requirement."⁴

Loretto Telephone Company, Inc. ("Company") hereby certifies that it is complying with applicable service quality standards and consumer protection rules. The Company is subject to consumer protection obligations under state law. These obligations include, but are not limited to, the following: (1) filing a Local Exchange Tariff pursuant to the Rules of Tennessee Regulatory Authority, Chapter 1220-4-1-.03 and the Tennessee Code Annotated, Title 65, Chapter 5, Part 1, §65-5-102, which disclose rates, terms and conditions of service to customers; (2) adherence to state consumer protection requirements governing telephone providers which require implementation of Basic Utility Obligations in accordance with the Rules of Tennessee Regulatory Authority, Chapter 1220-4-2-.29, Consumer Safeguards as identified in the Rules of

¹*Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) ("2005 ETC Order").

²*Id.* at para. 28.

³*Id.* The FCC noted that under the CTIA Consumer Code, wireless carriers agree to: "(1) disclose rates and terms of service to customers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6) separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; and (10) abide by policies for protection of consumer privacy." *Id.* at n. 71.

⁴*Id.* at n. 72.

Tennessee Regulatory Authority, Chapter 1220-4-2-.55, anti-slamming procedures as required in the Rules of Tennessee Regulatory Authority, Chapter 1220-4-2-.56;(3) truth-in-billing requirements in accordance with the Rules of Tennessee Regulatory Authority, Chapter 1220-4-2-.58; and (4) CPNI, Red Flag Rules and other applicable federal and state requirements governing the protection of customers' privacy.

Company is subject to consumer protection obligations for broadband services under federal law. These obligations include, but are not limited to the following: public disclosure of accurate information regarding network management practices, performance, and commercial terms of broadband internet access services, as a means of providing sufficient information for consumers to make informed choices regarding use of such services, and for content, application, services and device providers to develop, market, and maintain internet offerings as a specified in F.C.C. 47 C.F.R. Part 8 § 8.3. The Company furthermore will comply with all requirements set forth in the 2015 Open Internet Order when it becomes effective.

Loretto Telephone Company Inc.'s Ability to Function in Emergency Situations

Loretto Telephone Company, Inc. ("Company") hereby certifies that it is able to function in emergency situations as set forth in Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.202(a)(2)¹ and Rules of the Tennessee Regulatory Authority, Chapter 1220-4-2. The Company's network is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations as required by Section 54.202(a)(2). The Company can reroute traffic around damaged facilities. Changing call routing translations will also allow the Company to manage traffic spikes throughout its network, as emergency situations require.

In accordance with the Rules of Tennessee Regulatory Authority, Chapter 1220-4-2, 1220-4-2-23 Emergency Operation, the Company's central offices have adequate provision for emergency power. Specifically, each central office building is supplied with standby generators and battery back-up that enable the central office to keep running until power is restored so long as fuel is available, or until system changes are made to reroute traffic. In addition, Company has an emergency operations plan and/or disaster recovery plan in place.

Company's standby generators and battery back-up support both voice and broadband network equipment should an emergency situation occur.

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

"Loretto Telephone Company, Inc. does not offer any specialized voice telephone service plans to Lifeline subscribers. The only voice telephony service plans offered to Lifeline subscribers are the same plans that are generally available to the public. Our website, www.lorettotel.com, outlines the terms and conditions."

Loretto Telephone Company, Inc. (SAC 290570)

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

Loretto Telephone Company, Inc. hereby certifies that throughout 2015, it took reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas and that requests for such service are met within a reasonable amount of time. If a request for broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream is unreasonable, and offering broadband service at actual speeds of at least 4 Mbps downstream/1 Mbps upstream is reasonable, the Company offers broadband service at actual speeds of at least 4 Mbps downstream/1 Mbps upstream.