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	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Jinger Henke, CPA
<035>	Contact Telephone Number: Number of the person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address: Email of the person identified in data line <030>	jhenke@interbel.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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

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

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

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

482242mt112.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	Yes
<114>	Report how much universal service (USF) support was received	Yes
<115>	How much (USF) was used to improve service quality and how support was used to improve service quality	Yes
<116>	How much (USF) was used to improve service coverage and how support was used to improve service coverage	Yes
<117>	How much (USF) was used to improve service capacity and how support was used to improve service capacity	Yes
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	Not Applicable

Response Line 100
InterBel Telephone Cooperative, Inc.
Study Area Code: 482242

Update of our 2015 Service Quality Improvement Plan – 47 C.F.R. §54.202(a)
InterBel Telephone Cooperative, Inc. (InterBel) submits this update to our 2015 build-out Service Quality Improvement plan pursuant to C.F.R §54.202(a)(1)(ii) that specifies proposed improvements or upgrades to InterBel 's network throughout its service area. In addition, InterBel is providing information that includes the area and population served as a result of these improvements.

SAC: 482242

Wire Center #ERKRMTXCDS1

InterBel's service area is comprised of 1,000 square miles

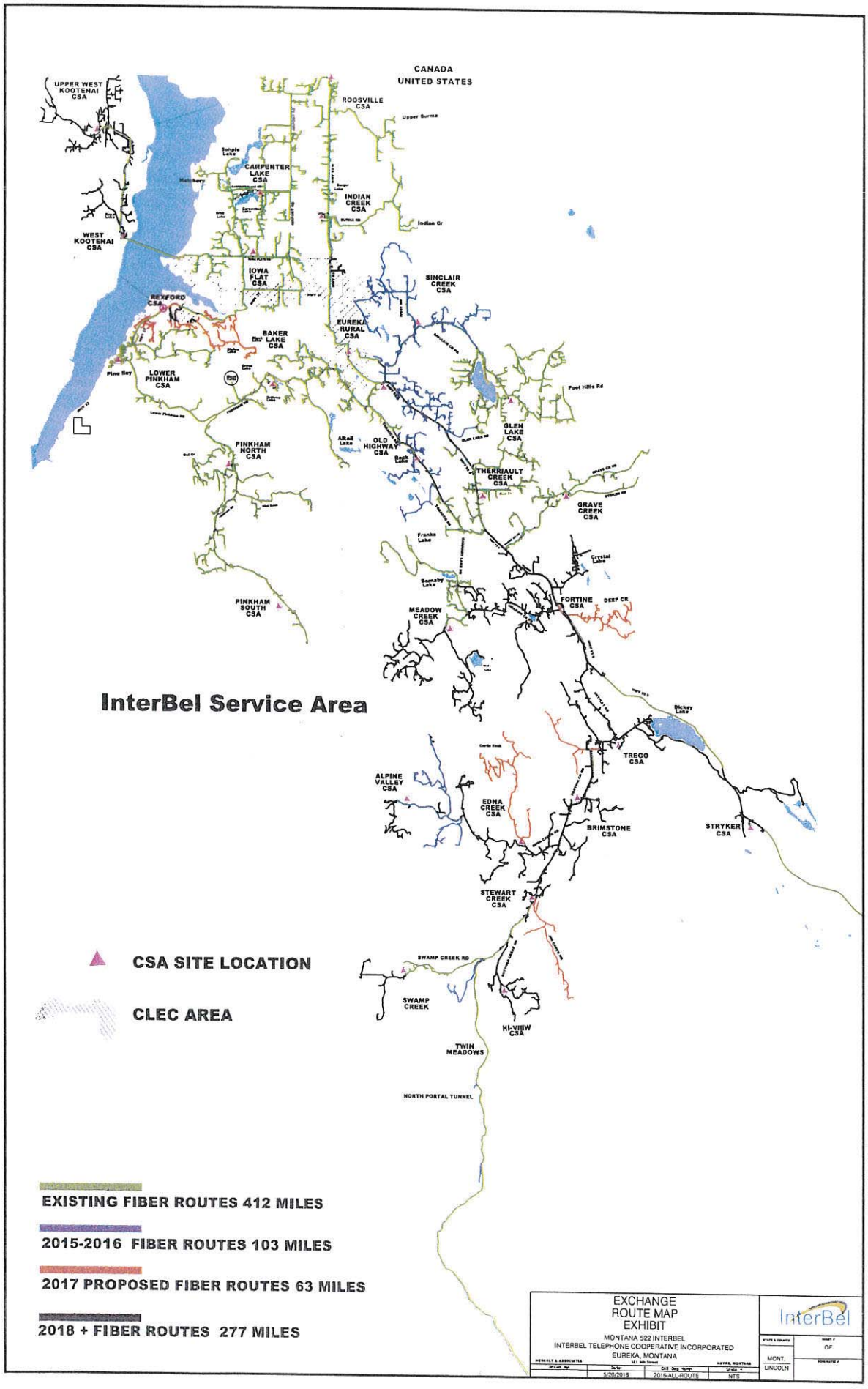
As of December 31, 2015, InterBel has 2,398 Rural cooperative members with a total of 2,405 Rural access lines.

The receipt of USF support, combined with our RUS M-Loan and other funding sources allows InterBel to continue to meet its voice and broadband obligations within its service area, complete service requests within a reasonable amount of time and provide reliable, state-of-the-art, high-quality voice and broadband service to its rural customers within its exchange. The joint voice and broadband projects listed within this plan are used to improve service and/or upgrade the quality of the network. This plan constitutes an ongoing transition from a copper plant to a fiber plant, plant maintenance, as well as providing technologically advanced services to our members. Having a fiber optic cable plant allows us to increase the quality and quantity of our broadband services reaching subscribers whose bandwidth requirements cannot be met with the current copper medium.

Voice & Broadband Upgrades : 2015

Project Description	Area Served/Wire center	Estimated Start Date	Completion Date	Population Served	Estimated Capital Costs	Actual As of 481 Filing Update 2015	Notes
FTTH - replace copper with fiber - 116.30miles	Therriault Cr., North-South-Lower Pinkham	4/1/2014	11/21/2015	348	6,098,630	6,435,670	Contract overage due to terrain plus general plant expansion
Buildings Upgrades - to support new technological upgrades	Lake Creek CSA	4/1/2015	9/30/2015	3613	65,500	2,000	Upgrades deferred to 2016
installation of FTTH and continue network upgrades	All	3/1/2015	10/30/2015	3613	95,000	128,360	Purchased additional necessary items not in budget
Computers & Office Equip to support customer service needs	All	3/1/2015	12/31/2015	3613	64,200	27,490	Deferred Computers to 2016
CO Switching Test Equpment	All	8/1/2015	11/30/2015	3613	25,000	15,808	Able to purchase at less than budget
CO Transmission Upgrades - to support upgraded broadband requirements of customers	All	5/1/2015	7/31/2015	3613	118,000	91,179	Not all budgeted items purchased
					6,466,330	6,700,507	Mostly due to FTTH

CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN 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, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION


CANADA
UNITED STATES
UPPER WEST KOOTENAI CSA
ROOSVILLE CSA
Upper Burma
CARPENTER LAKE CSA
INDIAN CREEK CSA
Indian Cr
WEST KOOTENAI CSA
IOWA FLAT CSA
SINCLAIR CREEK CSA
REXFORD CSA
EUREKA RURAL CSA
BAKER LAKE CSA
LOWER PINKHAM CSA
Foot Hills Rd
GLEN LAKE CSA
PINKHAM NORTH CSA
OLD HIGHWAY CSA
THERRIAULT CREEK CSA
GRAVE CREEK CSA
PINKHAM SOUTH CSA
FORTINE CSA
MEADOW CREEK CSA
InterBel Service Area
TREGO CSA
ALPINE VALLEY CSA
EDNA CREEK CSA
BRIMSTONE CSA
STRYKER CSA
STEWART CREEK CSA
SWAMP CREEK RD
SWAMP CREEK
HI-VIEW CSA
TWIN MEADOWS
NORTH PORTAL TUNNEL
CSA SITE LOCATION
CLEC AREA
EXISTING FIBER ROUTES 412 MILES
2015-2016 FIBER ROUTES 103 MILES
2017 PROPOSED FIBER ROUTES 63 MILES
2018 + FIBER ROUTES 277 MILES
EXCHANGE
ROUTE MAP
EXHIBIT
MONTANA 522 INTERBEL
INTERBEL TELEPHONE COOPERATIVE INCORPORATED
EUREKA, MONTANA
5/20/2018
2018-ALL-ROUTE
NTS
InterBel
MONT.
LINCOLN
OF

RESPONSE LINE 100	
INTERBEL TELEPHONE COOPERATIVE, INC.	
Study Area 482242	
CapEx	**2015**
2110 Land & General Support	157,850
2210 Central Office Switching	15,808
2230 Central Office Transmission	91,179
2410 Cable & Wire Facilities	6,435,670
Total Capital Expenditures	**6,700,507**
OpEx	
Plant Specific	1,223,615
Plant Nonspecific	656,077
Depreciation	2,376,027
Customer Operations	425,306
Corporate Operations	844,255
Total Operating Expenses	**5,525,281**
USF (1/15 - 12/15)	
HCLS	2,094,829
CAF BLS - Includes ICLS	1,651,855
CAF/ICC	704,768
Total USF YTD	**4,451,452**
USF BreakOut	
CapEx USF	2,448,299
OpeEx USF	2,003,153
Total USF Breakout YTD	**4,451,452**

Project Update

InterBel Telephone Cooperative, Inc. ("ITC") submits its five year progress report for Service Quality Improvement pursuant to C.F.R. 54.313(a)(1) detailing its progress towards meeting its targets for improvement and upgrade to ITC's network throughout its service area.

This progress report details how InterBel Telephone Cooperative continues to meet its broadband obligations within its service area, completes service requests within a reasonable amount of time and provides reliable state of the art telecommunications services within its study area that includes 2,405 rural customers in one (1) exchange. The projects listed within the progress report are designed to continue to provide improved service quality, improved service coverage, and improve service capacity within the wire-center boundaries of ITC. In addition, this progress report provides sufficient data that details capital and operational expenditures, the amount of USF received allocated between capital and operational expenditures. All USF funds received and detailed within this progress report were used in accordance with federal rules and regulations towards improving service quality, service coverage, and service capacity.

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

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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

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

<220>

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

(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	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
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<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<300> Unfulfilled service request (voice) 0

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband) 0

<330> Detail on attempts (broadband)

Name of Attached Document

(400) Number of Complaints per 1,000 customers Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0.0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0.0
<450>	Complaints per 1000 customers for mobile broadband	

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

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

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<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Ginger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.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	482242mt510.pdf

Response Line 510
InterBel Telephone Cooperative, Inc.
Study Area 482242

Voice Network

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) InterBel Telephone Cooperative, Inc. ("ILEC") is in compliance with appropriate FCC Service Quality Standards and Consumer Protection Rules. ILEC provides CPNI training to all of its existing and new employees. In addition ILEC trains staff and new employees on Red Flag issues. All ILEC employees are required to sign and acknowledge they have completed CPNI and Red Flag training, received a current copy of the ILEC's CPNI and Red Flag Manual and understand obligations to adherence of applicable rules. The CPNI and Red Flag Coordinator conducts follow-up training sessions for employees who (a)assume new job responsibilities likely to bring them into contact with new and/or existing covered accounts of customers ; (b) if and when material changes and other substantial revisions, modifications and updates are made to the Program; and/or (c) periodically when the ILEC's management and Coordinator believe a refresher training session is needed to remind employees of identity theft issues, Red Flag matters and CPNI. Annually, the Board receives, reviews and accepts CPNI and Red Flag reports from management.

ILEC also outlines its rates, terms, and conditions under which ILEC offers service in its Local Exchange Tariff. The tariff explains customer rights and obligations, customer service, dispute resolution, deposits, billing and payment options, disconnection of service as well as cancellation of service options. ILEC keeps its tariffs available for public inspection at its business offices.

Broadband Network

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) ILEC is in compliance with applicable FCC Service Quality Standards and Consumer Protection Rules. ILEC trains exiting and new staff on applicable rules for broadband services issues. The ILEC conducts follow-up training sessions for employees who (a) assume new job responsibilities likely to bring them into contact with new and/or existing broadband service issues; (b) if and when material changes; and/or (c) periodically when the ILEC's management and Coordinator believe a refresher training session is needed to remind employees of broadband service issues.

ILEC also outlines its rates, terms, and conditions under which ILEC offers Broadband service in NECA Tariff #5 to Internet Service Providers ("ISP"). The Tariff explains customer rights and obligations, customer service, dispute resolution, deposits, billing and payment options, disconnection of service as well as cancellation of service options. Public inspection of NECA Tariff #5 can be found on NECA's website. Retail DSL rates, terms, and conditions for retail services are provided by the ISP.

Response Line 610
InterBel Telephone Cooperative, Inc.
Study Area 482242

Functionality 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)ILEC COMPANY NAME ("ILEC") meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to ILEC central offices by use of a generator and batteries that provide it with 8 to 12 hours of emergency power. In addition, ILEC field electronics have 8 to 12 hours of back-up power by use of generators and batteries. ILEC also has redundant links technology deployed in its core fiber optic network that is a self-healing and will automatically reroute traffic should a fiber cut occur. ILEC 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. ILEC also has proper staff in place to repair any fiber cuts in a timely manner. ILEC has connectivity with neighboring telephone exchanges as well as the LATA tandem to provide diverse options to reroute traffic should an emergency arise. ILEC has developed and trained its staff on network preparedness plans in case of emergency situations. ILEC 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) ILEC COMPANY NAME ("ILEC") meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to ILEC 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, ILEC field electronics have 8 to 12 hours of back-up power by use of generators and batteries. ILEC also has redundant links technology deployed in its core fiber optic network that is a self-healing and will automatically reroute broadband traffic should a fiber cut occur. ILEC 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. ILEC also has proper staff in place to repair any fiber cuts in a timely manner. ILEC has connectivity with neighboring telephone exchanges as well as the LATA tandem to provide diverse options to reroute traffic should an emergency arise. ILEC has developed and trained its staff on network preparedness plans in case of emergency situations.

(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	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Ginger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	482242mt610.pdf

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

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

<010>	Study Area Code	482242
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<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	16.0

<703>

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

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

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

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	16.0

<703>

<a1> State	<a2> Exchange (ILEC)	<a3> SAC (CETC)	<b1> Rate Type	<b2> Residential Local Service Rate	<b3> State Subscriber Line Charge	<b4> State Universal Service Fee	<b5> Mandatory Extended Area Service Charge	<c> Total per line Rates and Fees
MT	889		FR	16.0	0.0	0.0	0.0	16.0

(710) Broadbrand Price Offerings
Data Collection Form

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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<711>

<a1> State	<a2> Exchange (ILEC)	<b1> Residential Rate	<b2> State Regulated Fees	<c> Total Rate and Fees	<d1> Broadband Service - Download Speed (Mbps)	<d2> Broadband Service - Upload Speed (Mbps)	<d3> Usage Allowance (GB)	<d4> Usage Allowance Action Taken When Limit Reached (*select*)
			-- See attached worksheet --					

(710) Broadband Price Offerings
Data Collection Form

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

<010>	Study Area Code	482242
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<711>

<a1> State	<a2> Exchange (ILEC)	<b1> Residential Rate	<b2> State Regulated Fees	<c> Total Rates and Fees	<d1> Broadband Service - Download Speed (Mbps)	<d2> Broadband Service - Upload Speed (Mbps)	<d3> Usage Allowance (GB)	<d4> Usage Allowance Action Taken When Limit Reached {select}
MT	889	19.95	0.0	19.95	0.256	0.256	300	Other, Customer Notified
MT	889	39.95	0.0	39.95	3.0	0.512	300	Other, Customer Notified
MT	889	39.95	0.0	39.95	6.0	1.0	300	Other, Customer Notified
MT	889	49.95	0.0	49.95	6.0	1.0	300	Other, Customer Notified
MT	889	49.95	0.0	49.95	10.0	3.0	300	Other, Customer Notified
MT	889	59.95	0.0	59.95	15.0	10.0	300	Other, Customer Notified

(800) Operating Companies
Data Collection Form

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

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<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<810>	Reporting Carrier	InterBel Telephone Cooperative, Inc.
<811>	Holding Company	Not Applicable
<812>	Operating Company	N/A

<813>

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

(900) Tribal Lands Reporting Data Collection Form

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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.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:

		Select Yes or No or Not Applicable
<921>	Needs assessment and deployment planning with a focus on Tribal community anchor institutions.	
<922>	Feasibility and sustainability planning;	
<923>	Marketing services in a culturally sensitive manner;	
<924>	Compliance with Rights of way processes	
<925>	Compliance with Land Use permitting requirements	
<926>	Compliance with Facilities Siting rules	
<927>	Compliance with Environmental Review processes	
<928>	Compliance with Cultural Preservation review processes	
<929>	Compliance with Tribal Business and Licensing requirements.	

(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	482242
<015>	Study Area Name	INTERBEL TEL COOP
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<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<1000>	Voice services rate comparability certification	Yes
<1010>	Attach detailed description for voice services rate comparability compliance	482242mt1010.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	482242mt1030.pdf Name of Attached Document

Response to Line 1010
InterBel Telephone Cooperative, Inc.
Study Area 482242

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) InterBel Telephone Cooperative, Inc. (ITC) 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 $47.48 as specified in Public Notice DA 16-362 issued on April 5, 2016. ITC's current total local end-user rate[1] of $16 (which includes only a local fee, we have no mandated state fees and/or mandatory extended area service charges) 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
InterBel Telephone Cooperative, Inc.
Study Area 482242

Broadband Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (1) InterBel Telephone Cooperative, Inc. 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 $77.80, which is the 2015 reasonable comparability benchmark for the same offering established by the Wireline Competition Bureau.[1]

[1] *Wireline Competition Bureau Announces Results of 2015 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 15-470 (rel. April 16, 2015).

(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	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<1100>	Certify whether terrestrial backhaul options exist (Y/N)	Yes
<1130>	Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).	

(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	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

482242mt1210.pdf

Name of Attached Document

<1220> Link to Public Website HTTP

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

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

<1222> Details on the number of minutes provided as part of the plan, ☑

<1223> Additional charges for toll calls, and rates for each such plan. ☑

SERVICE OFFERINGS
(Continued)

I. LOW INCOME ASSISTANCE (Lifeline) C

1. Description

a. The Low Income Assistance Program (Lifeline) provides for a credit against the recurring monthly rate for the provision of residential Local Service, as defined and explained in Section F "Local Service" of this Tariff for certain low-income customers. Other services such as toll calls or custom calling features are not eligible for Lifeline credits. C | C

b. D | D

2. Terms and Conditions

a. The Low Income Assistance Program credit is only available to residential customers who meet eligibility requirements established by Senate Bill No. 257 as set forth in 69-3-1002 M.C.A and/or residential customers who meet the eligibility requirements set forth on the Universal Service Administrative Company website http://www.usac.org/li/gettingservice/default.aspx or call (888) 641-8722 . To be considered eligible, the applicant must be a residential customer with a single telephone line at his principal residence. T | T D D

b. The monthly discount to eligible customers will be a Federal Lifeline Service discount of $9.25. In no case will the discount exceed the rate charged for the residential service subscribed to by each individual. C

c. The Low Income Assistance Program will begin with the date the Company receives a valid application from the customer or when new service is established for a qualifying customer. The credit will be prorated on the basis of a 30 day month from the effective date of the customer's application.

Effective: _____

Authority: Board Resolution

SERVICE OFFERINGS
(Continued)

I. LOW INCOME ASSISTANCE - (Continued) T

2. Terms and Conditions - (Continued)

d. The regular service and equipment charges and regulations applicable to the service offering specified in this Guide will apply. The service and equipment charges to change to or from this program due to eligibility status will be waived.

e. Lifeline customers are charged for Residence access line rate plus the Federal Subscriber Line Charge (FCC end-user charge). The Federal Lifeline Discount are then applied to the Lifeline customer's bill.

f. Lifeline customers may add optional Toll Restriction to their line at no cost.

g. Subscribers will be required to verify continued eligibility on an annual basis. C

(1) D
(2) D
D

h. Lifeline discounts only applies to Local Service at a residential subscriber's principal residence. The discounts do not apply to state or federal taxes, surcharges for 911 service or TDD service fees. service or TDD service fees. C | C

i. D

j.

k. D

Effective: _____

Authority: Board Resolution

SERVICE OFFERINGS
(Continued)

F. LOCAL SERVICE

1. Description

Local Service is provided through facilities owned and maintained according to the standards of the Company. Both residential and business lines have Extended Area Service (EAS) for the City of Eureka.

2. Terms and Conditions

a. The application of business or residence rates is determined by the actual or obvious use made of the service by the customer. Where only one primary access line is provided at a location, which is solely business, the business rate will apply.

b. The Company offers one-party line, single line services, which provide access to the central office switching equipment. Customer-premises equipment (CPE) and customer-premises inside wire is excluded.

c. The Company reserves the right to limit the number of telephones or other terminal equipment connected to the one-party line inasmuch as they may affect the ability of the serving switching equipment to provide proper signaling and transmission.

d. Local Service does not include Toll, Toll Service, or Message Toll Service. N

(2000) Price Cap Carrier Additional Documentation
Data Collection Form
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.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)

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

<2016> Certification support used to build broadband

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

<2017A> Connect America Fund Phase II recipient?

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

Name of Attached Document Listing Required Information

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

Name of Attached Document Listing Required Information

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

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

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

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

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

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

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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.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

(3009)	Carrier certifies to 54.313(f)(1)(iii)		
(3010A)	Milestone Certification {47 CFR § 54.313(f)(1)(i)}	Yes - Attach Certification	
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information	482242mt3010b.pdf
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	No - No New Community Anchors	
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	(Yes/No)	(•) ( )
(3014)	If yes, does your company file the RUS annual report	(Yes/No)	(•) ( )
	Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		✓
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		✓
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	482242mt3017.pdf
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No)	( ) ( )
	If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		☐
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows		☐
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.		☐
	If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		☐
(3023)	Underlying information subjected to a review by an independent certified public accountant		☐
(3024)	Underlying information subjected to an officer certification.		☐
(3025)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows		☐
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	

Response to Line 3010b
InterBel Telephone Cooperative, Inc.
Study Area 482242

Milestone Certification

Pursuant to 47 C.F.R. § 54.202(a) InterBel Telephone Cooperative, Inc. ("ITC") provides this certification it is taking reasonable steps to provide upon reasonable request broadband speeds of at least 10 Mbps downstream/4 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 16-362, and that requests for such service are met within a reasonable amount of time. Details for how ITC is meeting its broadband goals and required obligations are specified within the FCC Form 481 annual filing.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

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

BORROWER NAME: InterBel Telephone Cooperative, Inc.

(Prepared with Audited Data)

INSTRUCTIONS-Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.

PERIOD ENDING: December, 2015

BORROWER DESIGNATION: MT0522

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII

(Check one of the following)

[X] All of the obligations under the RUS loan documents have been fulfilled in all material respects.

[ ] There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

Randy Wilson — 3/10/2016 (DATE)

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	1,580,563	1,629,072	25. Accounts Payable	543,424	531,594
2. Cash-RUS Construction Fund	400,000	0	26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments	211,700	219,000
a. Telecom, Accounts Receivable	275,882	287,816	28. Customer Deposits	22,825	22,775
b. Other Accounts Receivable			29. Current Mat. L/T Debt	1,379,255	1,461,758
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable	539,762	688,236	33. Other Taxes Accrued	180,930	164,982
c. Notes Receivable			34. Other Current Liabilities	631,046	700,936
5. Interest and Dividends Receivable	11,866	15,788	**35. Total Current Liabilities (25 thru 34)**	2,969,180	3,101,045
6. Material-Regulated	208,213	227,849	LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes	16,748,287	19,069,948
8. Prepayments	117,782	134,167	37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)	3,134,068	2,982,928	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development	806,602	813,562	42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development	79,596	80,185	45. Other Long-Term Debt		
b. Nonrural Development			**46. Total Long-Term Debt (36 thru 45)**	16,748,287	19,069,948
13. Nonregulated Investments	121,880	133,121	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets	12,199	116,276	47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits	56,917	3,592
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	1,020,277	1,143,144	50. Total Other Liabilities and Deferred Credits (47 thru 49)	56,917	3,592
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service	43,010,550	48,994,034	51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction	4,572,477	3,253,422	53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	16,923,074	18,682,269	55. Other Capital		
23. Net Plant (18 thru 21 less 22)	30,659,953	33,565,187	56. Patronage Capital Credits	13,954,307	14,632,816
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	1,085,607	883,858
			58. Total Equity (51 thru 57)	15,039,914	15,516,674
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		
	34,814,298	37,691,259		34,814,298	37,691,259

Total Equity = 41.17% % of Total Assets

USDA-RUS **OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS** *INSTRUCTIONS- See RUS Bulletin 1744-2*	BORROWER DESIGNATION MT0522 PERIOD ENDING December, 2016

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	864,092	926,650
2. Network Access Services Revenues	6,163,691	6,762,780
3. Long Distance Network Services Revenues	334,983	305,489
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues	8,442	13,665
6. Uncollectible Revenues	4,424	10,266
7. Net Operating Revenues (1 thru 5 less 6)	7,366,784	7,998,318
8. Plant Specific Operations Expense	1,169,561	1,283,013
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	738,018	761,701
10. Depreciation Expense	2,326,009	2,592,016
11. Amortization Expense		
12. Customer Operations Expense	447,668	475,207
13. Corporate Operations Expense	875,441	893,278
14. Total Operating Expenses (8 thru 13)	5,556,697	6,005,215
15. Operating Income or Margins (7 less 14)	1,810,087	1,993,103
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes	313,784	329,963
20. Total Operating Taxes (17+18+19)	313,784	329,963
21. Net Operating Income or Margins (15+16-20)	1,496,303	1,663,140
22. Interest on Funded Debt	698,358	800,167
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction	220,778	183,509
26. Total Fixed Charges (22+23+24-25)	477,580	616,658
27. Nonoperating Net Income	274,759	235,423
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	(207,875)	(398,047)
31. Total Net Income or Margins (21+27+28+29+30-26)	1,085,607	883,858
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year	1,048,721	1,085,607
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital	1,048,721	1,085,607
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	1,085,607	883,858
40. Patronage Capital Beginning-of-Year	13,275,024	13,954,307
41. Transfers to Patronage Capital	1,048,721	1,085,607
42. Patronage Capital Credits Retired	369,438	407,098
43. Patronage Capital End-of-Year (40+41-42)	13,954,307	14,632,816
44. Annual Debt Service Payments	2,090,967	1,896,014
45. Cash Ratio [(14+20-10-11) / 7]	0.4811	0.4680
46. Operating Accrual Ratio [(14+20+26) / 7]	0.8617	0.8692
47. TIER [(31+26) / 26]	3.2731	2.4333
48. DSCR [(31+26+10+11) / 44]	1.8600	2.1585

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION
MT0522

PERIOD ENDED
December 2015

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

	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
EXCHANGE	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
889	17.00	16.00	336	2,069	2,405	1,304.00	594.00
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			336	2,069	2,405	1,304.00	594.00
No. Exchanges	1						

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION
MT0522

PERIOD ENDED
December, 2015

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

4. BROADBAND SERVICE

			Details on Least Expensive Broadband Service					
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
889	2,357	1,855	61	256	256	19.95	StandAlone	DSL
Total	2,357	1,855						

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION: MT0522

PERIOD ENDING: December, 2015

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
15	8	1,000	2.41	1.84

PART E. TOLL DATA

1. Study Area ID Code(s)

a. 482242
b.
c.
d.
e.
f.
g.
h.
i.
j.

2. Types of Toll Settlements (Check one)

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

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	4,429,908
2. Other Long-Term Loan Funds Expended	0
3. Funds Expended Under RUS Interim Approval	0
4. Other Short-Term Loan Funds Expended	0
5. General Funds Expended (Other than Interim)	883,831
6. Salvaged Materials	0
7. Contribution in Aid to Construction	0
8. Gross Additions to Telecom. Plant (1 thru 7)	5,313,739

PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS (a)	CURRENT YEAR DATA: Investment This Year (b)	CURRENT YEAR DATA: Income/Loss This Year (c)	CUMULATIVE DATA: Cumulative Investment To Date (d)	CUMULATIVE DATA: Cumulative Income/Loss To Date (e)	CUMULATIVE DATA: Current Balance (f)
1. Investment in Affiliated Companies - Rural Development	0	6,960	650,000	163,562	813,562
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS **OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS**	BORROWER DESIGNATION MT0522 PERIOD ENDING December, 2015

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	10.00%
4. Land and support assets - Garage and other work equipment	10.00%
5. Land and support assets - Buildings	2.90%
6. Land and support assets - Furniture and Office equipment	10.00%
7. Land and support assets - General purpose computers	20.00%
8. Central Office Switching - Digital	12.00%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	20.00%
13. Information origination/termination - Station apparatus	10.00%
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	20.00%
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	4.00%
19. Cable and wire facilities - Aerial cable - Metal	4.00%
20. Cable and wire facilities - Aerial cable - Fiber	4.00%
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	5.00%
24. Cable and wire facilities - Buried cable - Fiber	5.00%
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION MT0522
INSTRUCTIONS – See help in the online application	PERIOD ENDED December, 2015

	PART I – STATEMENT OF CASH FLOWS	
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	1,980,563
	CASH FLOWS FROM OPERATING ACTIVITIES	
2.	Net Income	883,858
	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
3.	Add: Depreciation	2,592,016
4.	Add: Amortization	0
5.	Other (Explain) Audit Reconciliations	(269,663)
	Changes in Operating Assets and Liabilities	
6.	Decrease/(Increase) in Accounts Receivable	(160,408)
7.	Decrease/(Increase) in Materials and Inventory	(19,636)
8.	Decrease/(Increase) in Prepayments and Deferred Charges	(16,385)
9.	Decrease/(Increase) in Other Current Assets	0
10.	Increase/(Decrease) in Accounts Payable	(11,830)
11.	Increase/(Decrease) in Advance Billings & Payments	7,300
12.	Increase/(Decrease) in Other Current Liabilities	53,942
13.	**Net Cash Provided/(Used) by Operations**	3,059,194
	CASH FLOWS FROM FINANCING ACTIVITIES	
14.	Decrease/(Increase) in Notes Receivable	0
15.	Increase/(Decrease) in Notes Payable	0
16.	Increase/(Decrease) in Customer Deposits	(50)
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	2,404,164
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	(53,325)
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	0
20.	Less: Payment of Dividends	0
21.	Less: Patronage Capital Credits Retired	(407,098)
22.	Other (Explain) Audit Reconciliations	80,045
23.	**Net Cash Provided/(Used) by Financing Activities**	2,023,736
	CASH FLOWS FROM INVESTING ACTIVITIES	
24.	Net Capital Expenditures (Property, Plant & Equipment)	(4,664,429)
25.	Other Long-Term Investments	(18,790)
26.	Other Noncurrent Assets & Jurisdictional Differences	(104,077)
27.	Other (Explain) Retirements/Audit Reconciliations	(647,125)
28.	**Net Cash Provided/(Used) by Investing Activities**	(5,434,421)
29.	**Net Increase/(Decrease) in Cash**	(351,491)
30.	**Ending Cash**	1,629,072

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants

INDEPENDENT AUDITORS REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACTUAL AGREEMENTS AND REGULATORY REQUIREMENTS FOR TELECOMMUNICATIONS BORROWERS

Board of Directors
InterBel Telephone Cooperative, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of InterBel Telephone Cooperative, Inc. and subsidiary, which comprise the consolidated balance sheet as of December 31, 2015, and the related consolidated statements of income, members' equity, and cash flows for the year ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 1, 2016. In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2016, on our consideration of InterBel Telephone Cooperative, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. No reports other than the reports referred to above and our exit memo related to our audit have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that InterBel Telephone Cooperative, Inc. failed to comply with the terms, covenants, provisions, or conditions on its loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers,* §1773.33 and clarified in the RUS policy memorandum dated February 7, 2014, insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding InterBel Telephone Cooperative, Inc.'s noncompliance with the above referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with our audit, we noted no matters regarding InterBel Telephone Cooperative, Inc.'s accounting and records to indicate that InterBel Telephone Cooperative, Inc. did not:

- Maintain adequate and effective accounting procedures;
- Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;

Praxity
MEMBER

INDEPENDENT AUDITORS REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACTUAL AGREEMENTS AND REGULATORY REQUIREMENTS FOR TELECOMMUNICATIONS BORROWERS (continued)

- Reconcile continuing property records to the controlling general ledger plant accounts;
- Clear construction accounts and accrue depreciation on completed construction;
- Record and properly price the retirement of plant;
- Seek approval for the sale, lease, or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;
- Maintain adequate control over materials and supplies;
- Prepare accurate and timely financial and operating reports;
- Obtain written RUS approval to enter into any contract, agreement, or lease with an affiliate;
- Disclose material related party transactions in the consolidated financial statements, in accordance with requirements for related parties in accounting principles generally accepted in the United States of America;
- Comply with the requirements for the detailed schedule of investments.

Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The detailed schedule of investments in affiliated companies required by 7 CFR 1773.33(i), and attached to this letter, is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic consolidated financial statements, and in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as whole.

See attached Schedule of Investments in affiliated companies.

This report is intended solely to communicate, in connection with the audit of the consolidated financial statements, on compliance with aspects of contractual agreements and regulatory requirements for telecommunications borrowers based on the requirements of 7 CFR Part 1773, as clarified in the RUS policy memorandum dated February 7, 2014. Accordingly, this report is not suitable for any other purpose.

Moss Adams LLP

Spokane, Washington
February 1, 2016

INTERBEL TELEPHONE COOPERATIVE, INC.
RUS SCHEDULE OF INVESTMENTS IN AFFILIATED COMPANIES

	Tobacco Valley Communications, Inc.
Original investment cost	$ 360,000
Accumulated earnings as of December 31, 2014	358,328
Dividends paid as of December 31, 2014	(200,000)
Book value of investment as of December 31, 2014	518,328
2015 undistributed earnings	6,960
Book value of investment as of December 31, 2015	$ 525,288

Tobacco Valley Communications, Inc. is a wholly-owned subsidiary of InterBel Telephone Cooperative, Inc. providing cable television services and other deregulated communications services to customers in northwestern Montana. The investment is accounted for on the equity method.

(3005) Rate Of Return Carrier Additional Documentation (Continued)

Data Collection Form

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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.com

Financial Data Summary

(3027) Revenue	7998318
(3028) Operating Expenses	6005215
(3029) Net Income	883858
(3030) Telephone Plant In Service(TPIS)	48994034
(3031) Total Assets	37691259
(3032) Total Debt	19069948
(3033) Total Equity	15516674
(3034) Dividends	0

Name of Attached Document Listing Required Information

(4005) Rural Broadband Experiment Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4368893311 ext.139
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.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

<010>	Study Area Code	482242
<015>	Study Area Name	INTERBEL TEL COOP
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Jinger Henke, CPA
<035>	Contact Telephone Number - Number of person identified in data line <030>	4068893311 ext.109
<039>	Contact Email Address - Email Address of person identified in data line <030>	jhenke@interbel.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: INTERBEL TEL COOP

Signature of Authorized Officer: CERTIFIED ONLINE Date 06/17/2016

Printed name of Authorized Officer: Randy Wilson

Title or position of Authorized Officer: CEO

Telephone number of Authorized Officer: 4068893311 ext.101

Study Area Code of Reporting Carrier: 482242 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.