

<010>	Study Area Code	290561
<015>	Study Area Name	CROCKETT TEL CO
<020>	Program Year	2015
<030>	Contact Name: Person USAC should contact with questions about this data	Veronica Martin
<035>	Contact Telephone Number: Number of the person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	FilingsRAD@tec.com

ANNUAL REPORTING FOR ALL CARRIERS	54.313	54.422
	Completion Required	Completion Required

			<i>(check box when complete)</i>	
<100>	Service Quality Improvement Reporting	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<200>	Outage Reporting (voice)	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210>	<input checked="" type="checkbox"/> <- check box if no outages to report		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<300>	Unfulfilled Service Requests (voice)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<310>	Detail on Attempts (voice)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> <i>(attach descriptive document)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<330>	Detail on Attempts (broadband)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> <i>(attach descriptive document)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)			
<410>	Fixed	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420>	Mobile	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<440>	Fixed	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<450>	Mobile	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<500>	Service Quality Standards & Consumer Protection Rules Compliance	<i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510>	<div style="border: 1px solid black; padding: 2px;">290561-TN-510.pdf</div> <i>(attached descriptive document)</i>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600>	Functionality in Emergency Situations	<i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610>	<div style="border: 1px solid black; padding: 2px;">290561-TN-610.pdf</div> <i>(attached descriptive document)</i>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700>	Company Price Offerings (voice)	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<710>	Company Price Offerings (broadband)	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<800>	Operating Companies and Affiliates	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900>	Tribal Land Offerings (Y/N)?	<input type="radio"/> <input checked="" type="radio"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000>	Voice Services Rate Comparability	<i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1010>	<div style="border: 1px solid black; padding: 2px;">290561-TN-1010.pdf</div> <i>(attach descriptive document)</i>		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1100>	Terrestrial Backhaul (Y/N)?	<input checked="" type="radio"/> <input type="radio"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1110>		<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1200>	Terms and Condition for Lifeline Customers	<i>(complete attached worksheet)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

<2000>	<i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i>	<i>(check to indicate certification)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<2005>		<i>(complete attached worksheet)</i>	<input type="checkbox"/>	<input type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>		<i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>		<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(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	290561
<015> Study Area Name	CROCKETT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Veronica Martin
<035> Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

<110> Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<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) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to 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.

290561-TN-112.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached documents(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		<input type="checkbox"/>
<114> Report how much universal service (USF) support was received		<input type="checkbox"/>
<115> How (USF) was used to improve service quality		<input type="checkbox"/>
<116> How (USF) was used to improve service coverage		<input type="checkbox"/>
<117> How (USF) was used to improve service capacity		<input type="checkbox"/>
<118> Provide an explanation of network improvement targets not met in the prior calendar year.		<input type="checkbox"/>

**(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	290561
<015> Study Area Name	CROCKETT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Veronica Martin
<035> Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

<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, No, NA)

(1100) No Terrestrial Backhaul 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	290561
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<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

<1130> Please check this box 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
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<010>	Study Area Code	290561
<015>	Study Area Name	CROCKETT TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Veronica Martin
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP <http://www.tec.com/Terms>

"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	290561
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<030>	Contact Name - Person USAC should contact regarding this data	Veronica Martin
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(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)}
- <2011> 3rd Year Certification {47 CFR § 54.313(b)(2)}

- Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}**
- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification

- 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)}**
- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

<2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010> Study Area Code	290561
<015> Study Area Name	CROCKETT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Veronica Martin
<035> Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	filingsRAD@rec.com

CHECK the boxes below to note compliance on its 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.

(3010) Progress Report on 5 Year Plan
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

(3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(iii))

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))
(3014) If yes, does your company file the RUS annual report

(Yes/No) (Yes) (No)

Please check these boxes to confirm that the attached document(s), 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) for 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

290561-TN-3017.pdf

Name of Attached Document Listing Required Information

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

(Yes/No) (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

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

(3021) Management letter 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

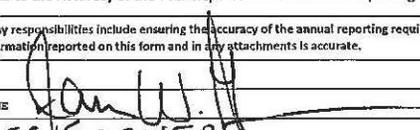
(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

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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<039> Contact Email Address - Email Address of person identified in data line <030>	FilingRAD@tec.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:	CROCKETT TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE  Date 6-27-14
Printed name of Authorized Officer:	JAMES GARNER
Title or position of Authorized Officer:	VICE PRESIDENT OF OPERATIONS
Telephone number of Authorized Officer:	601-354-9070
Study Area Code of Reporting Carrier:	290561 Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	290561
<015> Study Area Name	CROCKETT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Veronica MacLin
<035> Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	FilingRAD@ec.com

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

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

TO BE COMPLETED BY THE AUTHORIZED AGENT:

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

Attachments

Voice Services Rate Comparability

Crockett Telephone Company, Inc.'s calculation for rate floor certification:

Crockett Telephone Company, Inc. (Crockett) certifies that its pricing of fixed voice services is no more than two standard deviations above the applicable national average urban rate floor for voice services. Crockett calculates the average local voice rate using the following formula:

Local Rate + State SLC + State USF + Mandatory EAS

The local rate for Crockett's customers is \$14.00, there is no state SLC or USF and no mandatory EAS. Based on the formula above, Crockett Residential rates are \$14.00, well below the threshold of \$46.96 set by the Wireline Competition Bureau.

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Five-Year Network Improvement Plan
For Crockett Telephone Company, Inc.

In its *USF/ICC Transformation Order* and subsequent Orders, the Federal Communications Commission (“FCC” or “Commission”) requires 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 by July 1, 2014 and to submit annual progress reports thereafter.¹ Section 54.202(a) (1) (ii) states in part that ETCs are to [s]ubmit a five-year plan that describes with specificity proposed improvements or upgrades to the [ETC’s] network throughout its proposed service area. Each [ETC] shall estimate the area and population that will be served as a result of the improvements”²

In its *March 5, 2013 Order*, the FCC specified that for rate-of-return carriers, the five-year plans “should describe the carrier’s network improvement plan, which should provide greater visibility into current plans to extend broadband service to unserved locations in rate-of-return service territories.”³ Crockett Telephone Company, Inc.

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 pending sub nom. In re: FCC 11-161*, No. 11-9900 (10th Cir. filed Dec. 8, 2011); 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).

² 47 C.F.R. § 54.202(a) (1) (ii).

³ *March 5, 2013 Order* at Para. 9 citing Section 54.202(a) (1) (ii).

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("Crockett" or the "Company") is a rate-of-return carrier ETC and hereby submits its five-year network improvement plan.

I. The Challenges Faced by the Company in Providing Voice and Broadband to its Rural Service Area

A. Description of the Company and its Service Area

Crockett is a Rural LEC that provides services to approximately 2,000 households and businesses in central Tennessee. As a carrier of last resort Crockett faces increased hardship recovering cost due to diminishing returns on investment from the *USF/ICC Transformation Order*, as well as the loss of access revenue. Much of the area is rural Tennessee farmland, where there are few customers per square mile. While Crockett is the carrier of last resort, cellular and cable carriers may choose to provide service only to more populated towns without providing service to the high cost areas which results in a distinct financial advantage for competition that is further amplified through increased regulatory burdens on rate of return local exchange carriers.

B. The Exchanges Contained Within the Company's Study Area

Crockett serves the combined exchange area(s) of:

Friendship	Alamo
Maury City	

II. The Company Has Used and Will Use Universal Service Support Only For the Intended Purposes

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

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upgrading of facilities and services for which the support is intended.”⁴ Pursuant to Section 54.314 of the FCC’s rules, in order for state-designated ETCs to receive USF for the coming year, states must annually file certifications by October 1 stating that all federal high-cost support provided to such carriers within the state “was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.”⁵ ETCs not designated by a state must file similar certifications with the FCC.⁶

In its *USF/ICC Transformation Order*, the FCC clarified that prior to making the Section 254(e) certifications, states should conduct a “rigorous examination of the factual information” contained in the annual Section 54.313 reports, of which the five year network improvement plan and annual progress reports are a part, in determining whether they can certify that carriers’ support has been used and will be used only for the purpose for which the support was intended.⁷ The FCC said that it would also use the reports to verify certifications filed by ETCs that are not state-designated.⁸ In this context, the Commission stated, “[i]n light of the public interest obligations we adopt in this Order, a key component of this [Section 254(e)] certification will now be that support is being used to maintain and extend modern networks capable of providing voice and broadband service.”⁹

⁴ 47 U.S.C. § 254(e).

⁵ 47 C.F.R. § 54.314(a).

⁶ 47 C.F.R. § 54.314(b).

⁷ See *USF/ICC Transformation Order* at Para. 612.

⁸ *Id.*

⁹ *Id.* (emphasis supplied).

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. Crockett depends upon its receipt and utilization of federal universal service support to provide rural telephone customers with affordable and quality voice and broadband services.

Accordingly, given the critical role the network improvement plan and the progress reports will have in the annual Section 254(e) certification process, Crockett's plan will demonstrate not only how the Crockett has used and will use 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.

III. The Company's Five-Year Network Improvement Plan

When the Commission adopted its five-year plan requirements for FCC-designated ETCs in its *2005 ETC Order*, it set forth the following criteria as to how the ETC is to describe with "specificity" the proposed improvements or upgrades to the ETC's network throughout its service area:

(1) how signal quality, coverage, or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation; (2) the projected start date and completion date for each improvement and the estimated amount of investment for each project that is funded by high-cost support; (3) the specific geographic areas where the improvements will be made; and (4) the estimated population that will be served as a result of the improvements.¹⁰

¹⁰ *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*").

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In that order, the FCC clarified that service quality improvements in the five-year plan “do not necessarily require additional construction of network facilities.”¹¹ Accordingly, the improvements listed in the plan may be projects related to the expansion of the network (one or multiple services), projects related to updating technology to accommodate new services or higher bandwidth or maintenance projects, such as to reduce trouble reports or replace outdated equipment. Additionally, in some cases, the projects may be ones that improve or upgrade the entire network rather than discrete areas within a study area or they may be ones that are ongoing projects that have no specific start and completion dates.

The instructions to the Form 481 state “[r]ecipients may describe where improvements are expected to occur by wire center or census block, as appropriate. To the extent no improvements are planned in specific areas, the five-year plan should so indicate.”¹² The instructions also require that in subsequent annual progress reports which must include the total amount of universal support received must provide this information “broken out separately by the amount spent on capital expenses and the amount spent on operating expenses.”¹³ Accordingly, the Company’s five-year plan separately provides both capital expenditures and operating expenses.

¹¹ *Id.*

¹² Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), July 2013, Line 112

¹³ Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), July 2013, Line 112

A. The Company's Major Network Improvement Projects

Crockett has two major projects planned for the next 5 years; however there are multiple ongoing maintenance projects. Over the next 5 years Crockett intends on upgrading from copper to fiber to the business district in downtown Alamo. The only other non-ongoing project during this period is going to be a new remote addition, the Curtis remote will be added in the Alamo exchange. In addition to these projects there will be several ongoing projects including, transport upgrades, central office power upgrades, building improvements, new computers, new vehicles, battery replacements, test equipment upgrades, other work equipment, outside plant repairs, and broadband expansion and upgrades.

B. How These Projects Will Improve the Network

In 2015-2019 Crockett has planned projects to expand its fiber network in order to increase speed and reliability of both broadband and traditional telephone services within its network. The two projects are both scheduled in 2016. The first is a fiber build-out to the Alamo business district which will increase service reliability and provide greater bandwidth for the estimated 801 business owners and residents in the area. The second project in 2016 will be the addition of the Curtis remote to the Alamo exchange this will expand the current service area broadband access reaching an estimated 162 residents with speeds of 4mbps/1mbps or higher.

Ongoing projects include central office power upgrades that will insure network reliability during outages. Various other upgrades during this time include building improvements, new computers, new vehicles, and other work equipment; these will be used to replace outdated equipment and address maintenance issues. Crockett requires all

batteries be tested regularly to insure reliability of the network under emergency situations, which means regular battery replacement throughout the five years. Routine outside plant upgrade projects will be regarded as the normal course of business for maintaining plant facilities and the network. Finally there will be various broadband upgrades and central office power upgrades. These projects will help to expand the network and update technology to allow higher broadband internet bandwidth speeds. See Appendix A for a full breakdown including costs of the various projects.

C. Part 32 and Yearly Breakdown of Estimated Capital Expenditures Associated with the Projects and Operating Expenses

Appendix B included herein specifies the projects listed in Appendix A in terms of the Part 32 capital expenditures categories and in terms of the years in which the costs are expected to occur along with depreciation expense associated with the capital expenditures. In a separate section, the projected operating expenses are provided.

D. List of Community Anchor Institutions to Which the ETC Currently Provides Service

Although the FCC's *USF/ICC Transformation Order* only requires listing of community anchor institutions to which the ETC newly began providing service in progress reports, Crockett hereby provides the FCC with a list of community anchor institutions to which it currently provides service.¹⁴ The list of community anchor institutions is included herein as Appendix C.

F. Determination of Reasonableness

¹⁴ The FCC has defined community anchor institutions in Section 54.5 of its Rules as "schools, libraries, health care providers, community colleges, other institutions of higher education, and other community support organizations and entities."

In its *March 5, 2013 Order*, the Commission stated, “We encourage rate-of-return carriers to explain in their five-year plans what criteria the carrier will use to determine whether a request for broadband is reasonable and how the carrier will decide which areas are feasible to extend terrestrial broadband service to, and which areas are not feasible to serve with terrestrial technologies, given current funding levels.”¹⁵ Crockett hereby responds to the Commission’s invitation and provides the following: Crockett maintains a broadband internet service request list. Once the threshold of seven broadband service requests in a given area is achieved, a facilities and demographic study on the area will be generated to determine if the area meets the minimum density for a broadband aggregation device to be deployed.

¹⁵ *March 5, 2013 Order* at Para. 10.

Study Area Code 290561
 Study Area Name Crockett Telephone Company, Inc.
 Company Contact Name Lisa Wigington
 Contact Telephone Number (601) 354-9070
 Contact Email Address filingsRAD@TEC.com

APPENDIX A - PROJECT LIST FOR 2015-2019

Project	Start Date	Completion	Areas	Population(1)	Total Dollars	Notes from JSI Separations Contact & Company Discussion	
						Part 32 Account	Voice, Broadband, Both, etc.
Curtis Remote Addition	2016	2016	Alamo Exchange Curtis Remote	162	[REDACTED]	2423	Both
						2232	Both
						2111	Both
Fiber to Business District	2016	2016	Alamo Exchange	801	[REDACTED]	2423	Both
						2212	Both
Central Office Power Upgrades	2015	2019	All Exchanges	9,868	[REDACTED]	2212	Both
Building Improvements	2015	2019	All Exchanges	9,868	[REDACTED]	2121	Both
New Computers	2015	2019	All Exchanges	9,868	[REDACTED]	2124	Both
New Vehicles	2015	2019	All Exchanges	9,868	[REDACTED]	2112	Both
Battery Replacement	2015	2019	All Exchanges	9,868	[REDACTED]	2232	Both
Test Equipment Upgrade	2015	2019	All Exchanges	9,868	[REDACTED]	2114	Both
Other Work Equipment	2015	2019	All Exchanges	9,868	[REDACTED]	2114	Both
Routine Outside Plant Upgrade Project	2015	2019	All Exchanges	9,868	[REDACTED]	2423	Both
Broadband Upgrade and Expansions	2015	2019	All Exchanges	9,868	[REDACTED]	2232	Broadband
Totals					\$ [REDACTED]		

Study Area Code 290561
 Study Area Name Crockett Telephone Company, Inc.
 Company Contact Name Lisa Wigington
 Contact Telephone Number (601) 354-9070
 Contact Email Address FilingsRAD@TEC.com

APPENDIX B: 5-Year Proposed Capital Expenditures and Operating Expenses

(1) Use the chart below to break out the regulated portion of the cost/expense on a per-year basis
 Please note that the 5-Year Plan should include regulated plant/expenses only.

Regulated Capital Expenditure (CapEX) Projections							
Account	Description	2015	2016	2017	2018	2019	Total Projected CapEx 2015-2019
2111 & 2121	Land & Building						
2112	Vehicles						
2122-2124	Support Assets						
2210	Switching Equipment						
2232	Circuit Equipment						
2410-2440	Cable & Wire Facilities						
1220	Materials & Supplies						
	Total Capital Expenditures						

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

Note: Cell J20, Total Projected CapEx, should equal Total from Project List (cell G42)

Crockett List of Anchor Institutions

APPENDIX C

AccountName	FullServiceAddress
ALAMO CITY HALL	74 E PARK ST, ALAMO, TN 38001
ALAMO CITY OF	947 HIGHWAY 54 N, ALAMO, TN 38001
ALAMO CITY OF	74 E PARK ST, ALAMO, TN 38001
ALAMO CITY OF	31 W MAIN ST, ALAMO, TN 38001
ALAMO CITY SCHL COORDINATED SCHL HLTH FX	264 E PARK ST, ALAMO, TN 38001
ALAMO CITY SCHOOL	264 E PARK ST, ALAMO, TN 38001
ALAMO CITY SCHOOL CAFETERIA	264 E PARK ST, ALAMO, TN 38001
ALAMO CITY SCHOOL DISTRICT	264 E PARK ST, ALAMO, TN 38001
ALAMO CITY SCHOOL FAX	264 E PARK ST, ALAMO, TN 38001
ALAMO ELEMENTARY SCHOOL	264 E PARK ST, ALAMO, TN 38001
ALAMO ELEMENTARY SCHOOL	326 E PARK ST, ALAMO, TN 38001
ALAMO ELEMENTARY SCHOOL	264 E PARK ST, ALAMO, TN 38001
ALAMO ELEMENTARY SCHOOL	264 E PARK ST, ALAMO, TN 38001
ALAMO POLICE DEPARTMENT	31 W MAIN ST, ALAMO, TN 38001
CARL PERKINS CHILD ABUSE CENTER	78 E PARK ST, ALAMO, TN 38001
CARL PERKINS CHILD ABUSE CENTER	78 E PARK ST, ALAMO, TN 38001
CARL PERKINS CHILD ABUSE CTR FAX	78 E PARK ST, ALAMO, TN 38001
CITY OF FRIENDSHIP POLICE	46 COLLEGE ST, FRIENDSHIP, TN 38034
COUNTY WIDE UTILITY DISTRICT	67 S CAVALIER DR, ALAMO, TN 38001
COUNTY WIDE UTILITY DISTRICT	67 S CAVALIER DR, ALAMO, TN 38001
COUNTY WIDE UTILITY DISTRICT	67 S CAVALIER DR, ALAMO, TN 38001
COUNTY WIDE UTILITY DISTRICT	67 S CAVALIER DR, ALAMO, TN 38001
CROCKETT CO AMBULANCE SERVICE	872 S CAVALIER DR, ALAMO, TN 38001
CROCKETT CO CHAMBER OF COMM	29 N BELLS ST, ALAMO, TN 38001
CROCKETT CO CHAMBER OF COMM	29 N BELLS ST, ALAMO, TN 38001
CROCKETT CO CHANCERY COURT CLK	1 S BELLS ST, ALAMO, TN 38001
CROCKETT CO CIRCUIT COURT CLK	1 S BELLS ST, ALAMO, TN 38001
CROCKETT CO COURT HOUSE SECURITY ROOM	1 S BELLS ST, ALAMO, TN 38001
CROCKETT CO DETENTION FACILITY	884 S CAVALIER DR, ALAMO, TN 38001
CROCKETT CO E-911 ADMINISTRATION	17 S COURT ST, ALAMO, TN 38001
CROCKETT CO E-911 ADMINISTRATION	884 S CAVALIER DR, ALAMO, TN 38001
CROCKETT CO ELECTION COMMISSION	228 E CHURCH ST, ALAMO, TN 38001
CROCKETT CO HEALTH DEPT	209 N BELLS ST, ALAMO, TN 38001
CROCKETT CO HIGH ATHLETIC DEPT	2014 HIGHWAY 88, ALAMO, TN 38001
CROCKETT CO HIGH ATHLETIC DEPT	2014 HIGHWAY 88, ALAMO, TN 38001
CROCKETT CO HIGHWAY DEPT	1188 EGG HILL RD, ALAMO, TN 38001
CROCKETT CO HIGHWAY DEPT	1188 EGG HILL RD, ALAMO, TN 38001
CROCKETT CO OF COUNTY COURT CLERK	1 S BELLS ST, ALAMO, TN 38001
CROCKETT CO RABIES OFFICE FAX	2295 NANCE RD, ALAMO, TN 38001
CROCKETT CO SHERIFF DEPT	884 S CAVALIER DR, ALAMO, TN 38001
CROCKETT CO THP OFC	228 E CHURCH ST, ALAMO, TN 38001
CROCKETT CO TRANSPORTATION FAX LINE	739 S BELLS ST, ALAMO, TN 38001
CROCKETT COUNTY BOARD OF EDUCATION	102 N CAVALIER DR, ALAMO, TN 38001
CROCKETT COUNTY BOARD OF EDUCATION	151 CONLEY RD, ALAMO, TN 38001
CROCKETT COUNTY BOARD OF EDUCATION	2014 HIGHWAY 88, ALAMO, TN 38001
CROCKETT COUNTY BOARD OF EDUCATION	362 S BURNS ST, ALAMO, TN 38001
CROCKETT COUNTY BOARD OF EDUCATION	497 N CAVALIER DR, ALAMO, TN 38001
CROCKETT COUNTY BOARD OF EDUCATION	5442 HIGHWAY 88, MAURY CITY, TN 38050
CROCKETT COUNTY BOARD OF EDUCATION	6117 HIGHWAY 189, FRIENDSHIP, TN 38034
CROCKETT COUNTY COURT HOUSE	1 S BELLS ST, ALAMO, TN 38001
CROCKETT COUNTY DRUG COURT FAX LINE	10 N JOHNSON ST, ALAMO, TN 38001
CROCKETT COUNTY E911	884 S CAVALIER DR, ALAMO, TN 38001
CROCKETT COUNTY ELECTION COMMISSION	228 E CHURCH ST, ALAMO, TN 38001
CROCKETT COUNTY ELECTION COMMISSION	228 E CHURCH ST, ALAMO, TN 38001
CROCKETT COUNTY EMERGENCY MANGMT AGENCY	168 N BELLS ST, ALAMO, TN 38001
CROCKETT COUNTY EXTENSION SERVICE	20 S JOHNSON ST, ALAMO, TN 38001
CROCKETT COUNTY FAMILY RESOURCE CENTER	151 CONLEY RD, ALAMO, TN 38001
CROCKETT COUNTY FSA OFFICE	344 S BELLS ST, ALAMO, TN 38001
CROCKETT COUNTY JUVENILE COURT	14 S JOHNSON ST, ALAMO, TN 38001
CROCKETT COUNTY OF HEALTH DEPARTMENT	209 N BELLS ST, ALAMO, TN 38001
CROCKETT COUNTY SCHOOL NUTRITION	102 N CAVALIER DR, ALAMO, TN 38001
CROCKETT COUNTY SKILLS CENTER	321 CLIMER LOOP, ALAMO, TN 38001
CROCKETT COUNTY SKILLS CENTER	321 CLIMER LOOP, ALAMO, TN 38001
CROCKETT COUNTY SKILLS CENTER	321 CLIMER LOOP, ALAMO, TN 38001
CROCKETT COUNTY TRUSTEE OFFICE	4 N COURT ST, ALAMO, TN 38001
CROCKETT COUNTY TRUSTEE OFFICE	4 N COURT ST, ALAMO, TN 38001

Crockett List of Anchor Institutions
APPENDIX C

AccountName	FullServiceAddress
CROCKETT COUNTY TRUSTEE OFFICE	1 S BELLS ST, ALAMO, TN 38001
CROCKETT MEDICAL CLINIC	59 S BELLS ST, ALAMO, TN 38001
CROCKETT MEDICAL CLINIC INC	59 S BELLS ST, ALAMO, TN 38001
CROCKETT MEDICAL CLINIC INC	59 S BELLS ST, ALAMO, TN 38001
CROCKETT MEDICAL CLINIC INC	59 S BELLS ST, ALAMO, TN 38001
CROCKETT MEDICAL CLINIC INC	59 S BELLS ST, ALAMO, TN 38001
CROCKETT MEDICAL CLINIC INC	59 S BELLS ST, ALAMO, TN 38001
CROCKETT MEDICAL CLINIC INC FAX LINE	59 S BELLS ST, ALAMO, TN 38001
CROCKETT MEMORIAL LIBRARY	258 E CHURCH ST, ALAMO, TN 38001
CROCKETT MILLS UTILITY DISTRICT	1058 W CHURCH ST, ALAMO, TN 38001
CROCKETT MILLS UTILITY DISTRICT	3036 HIGHWAY 188, MAURY CITY, TN 38050
CROCKETT MILLS UTILITY DISTRICT	939 W CHURCH ST, ALAMO, TN 38001
CROCKETT PUBLIC UTILITY DISTRICT	82 N BELLS ST, ALAMO, TN 38001
CROCKETT PUBLIC UTILITY DISTRICT	82 N BELLS ST, ALAMO, TN 38001
CROCKETT PUBLIC UTILITY DISTRICT	82 N BELLS ST, ALAMO, TN 38001
DEPT OF CHILDRENS SERVICES	169 N CHERRY ST, ALAMO, TN 38001
DEPT OF HUMAN SERVICES	169 N CHERRY ST, ALAMO, TN 38001
ENA CROCKETT LEA	102 N CAVALIER DR, ALAMO, TN 38001
ENA CROCKETT LEA	1109 MCGAVOCK ST 7315021012, NASHVILLE, TN 37203
FRIENDSHIP CITY HALL	555 MAIN ST, FRIENDSHIP, TN 38034
FRIENDSHIP CITY HALL	555 MAIN ST, FRIENDSHIP, TN 38034
FRIENDSHIP CITY HALL	555 MAIN ST, FRIENDSHIP, TN 38034
FRIENDSHIP CITY HALL	555 MAIN ST, FRIENDSHIP, TN 38034
FRIENDSHIP FIRE & POLICE DEPARTMENT	46 COLLEGE ST, FRIENDSHIP, TN 38034
FROG JUMP FIRE DEPARTMENT	12365 HIGHWAY 88, MAURY CITY, TN 38050
MAURY CITY POLICE DEPARTMENT	52 EZELL ST, MAURY CITY, TN 38050
MAURY CITY STATION	223 BROADWAY ST, MAURY CITY, TN 38050
MAURY CITY TOWN OF CITY HALL	332 BROADWAY ST, MAURY CITY, TN 38050
MAURY CITY TOWN OF CITY HALL	332 BROADWAY ST, MAURY CITY, TN 38050
NETTN-TN STATE GOVT	884 S CAVALIER DR, ALAMO, TN 38001
NORTHWEST TN ECONOMIC DEVELOPMENT COUNCI	151 CONLEY RD, ALAMO, TN 38001
NORTHWEST TN HEADSTART CROCKETT	151 CONLEY RD, ALAMO, TN 38001
SUPERINTENDENTS OFFICE	264 E PARK ST, ALAMO, TN 38001
TENN STATE DEPT OF HIGHWAYS	2146 HIGHWAY 88 S, ALAMO, TN 38001
TENN WILDLIFE RESOURCE AGENCY	1 S BELLS ST, ALAMO, TN 38001
TENNESSEE ARMY NATIONAL GUARD UNIT	778 HIGHWAY 54 N, ALAMO, TN 38001
TENNESSEE NATIONAL GUARD	778 HIGHWAY 54 N, ALAMO, TN 38001
TENNESSEE ONE-CALL SYSTEM, INC	563 MAIN ST, FRIENDSHIP, TN 38034
TENNESSEE OPPORTUNITY PROGRAMS	118 1 N BELLS ST, ALAMO, TN 38001
TENNESSEE SAFARI PARK AT HILLCREST	637 CONLEY RD, ALAMO, TN 38001
TENNESSEE STATE DEPT OF HUMAN SERVICES	169 N CHERRY ST, ALAMO, TN 38001
TENNESSEE STATE DEPT OF HUMAN SERVICES TN ST DEPT OF	169 N CHERRY ST, ALAMO, TN 38001
TENNESSEE STATE DEPT OF LABOR WORKFORCE	468 LEE CIR, ALAMO, TN 38001
TENNESSEE STATE OF	228 E CHURCH ST, ALAMO, TN 38001
TN DEPARTMENT OF ENVIRONMENT	228 E CHURCH ST, ALAMO, TN 38001
TNII CROCKETT COUNTY ASSESSORS OFFICE	1 S BELLS ST, ALAMO, TN 38001
TNII CROCKETT COUNTY ASSESSORS OFFICE	151 CONLEY RD, ALAMO, TN 38001
TNII CROCKETT COUNTY ASSESSORS OFFICE	169 N CHERRY ST, ALAMO, TN 38001
TNII CROCKETT COUNTY ASSESSORS OFFICE	209 N BELLS ST, ALAMO, TN 38001
TNII CROCKETT COUNTY ASSESSORS OFFICE	884 S CAVALIER DR, ALAMO, TN 38001
TNK 12 ALAMO SCHOOLS	264 E PARK ST, ALAMO, TN 38001
U S GOV NW TN ECON DEV COUNCIL	151 CONLEY RD, ALAMO, TN 38001
U S GOVERNMENT	344 S BELLS ST, ALAMO, TN 38001
U S GOVERNMENT	360 S BELLS ST, ALAMO, TN 38001
U S GOVERNMENT FARM SERVICE AGENCY	344 S BELLS ST, ALAMO, TN 38001
U S GOVERNMENT SOIL CONSERVATION	360 S BELLS ST, ALAMO, TN 38001
UNITED STATES GROVERNMENT	151 CONLEY RD, ALAMO, TN 38001
UNITED STATES POSTAL SERVICE	143 POPLAR ST, FRIENDSHIP, TN 38034
UNITED STATES POSTAL SERVICE	179 STOKES RD, FRIENDSHIP, TN 38034
UNITED STATES POSTAL SERVICE	28 CROCKETT MILLS JACKSON STORE RD, FRIENDSHIP, TN 38034
UNITED STATES POSTAL SERVICE	344 BROADWAY ST, MAURY CITY, TN 38050
UNITED STATES POSTAL SERVICE	80 E PARK ST, ALAMO, TN 38001
UNITED WAY OF METRO NASHVILLE	563 MAIN ST, FRIENDSHIP, TN 38034
WESTERN KENTUCKY UNIVERSITY	1865 JENNINGS RD, MAURY CITY, TN 38050

Crockett 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 Commission 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.³ In 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

Crockett 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

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.

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 Tennessee Regulatory Authority, Chapter 1220-4-2-.55, anti-slammings 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.

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

Crockett 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 change call routing translations as needed to reroute traffic around damaged facilities within company exchanges. Changing call routing translations will also allow the Company to manage traffic spikes throughout its network, as emergency situations require. The Company does not have an alternate path of egress and therefor is reliant on a single meetpoint for broadband and voice network availability outside the local exchange carrier's boundary.

The Company has an agreement with Crockett County 911 to make the Emergency Management Authority building that neighbors the Alamo Central Office a secondary 911 dispatch location. The Company will re-route 911 traffic to the secondary location in the event that the primary 911 facility cannot be reached. If the Company is unable to deliver 911 calls through the normal path to the PSAP, the Company would re-route calls to appear on the administrative lines at the 911 center's primary location.

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."

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.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TN0550
	PERIOD ENDING December, 2013

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
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		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

TN0550

PERIOD ENDED

December, 2013

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

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Alamo	24.00	14.00	510	710	1,220	204.00	14.00
Friendship	24.00	14.00	116	483	579	100.00	6.00
Maury City	24.00	14.00	86	580	648	161.00	23.00
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			712	1,733	2,445	465.00	43.00
No. Exchanges	3						

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

TN0550

PERIOD ENDED

December, 2013

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

4. BROADBAND SERVICE

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Details on Least Expensive Broadband Service					
			Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Alamo	1,209	325	30	256	256	24.95	Package	DSL
Friendship	573	244	22	256	256	24.95	Package	DSL
Maury City	642	241	32	256	256	24.95	Package	DSL
Total	2,424	810						

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TN0550 <hr/> PERIOD ENDING December, 2013
INSTRUCTIONS- See RUS Bulletin 1744-2	

PART D. SYSTEM DATA

1. No. Plant Employees 6	2. No. Other Employees 2	3. Square Miles Served 216	4. Access Lines per Square Mile 11.32	5. Subscribers per Route Mile 5.26
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PART E. TOLL DATA

1. Study Area ID Code(s) a. 290561 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one) Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
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PART F. FUNDS INVESTED IN PLANT DURING YEAR

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

PART G. INVESTMENTS IN AFFILIATED COMPANIES

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

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TN0550 <hr/> PERIOD ENDING December, 2013
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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	12.50%
2. Land and support assets - Aircraft	12.50%
3. Land and support assets - Special purpose vehicles	12.50%
4. Land and support assets - Garage and other work equipment	12.50%
5. Land and support assets - Buildings	3.00%
6. Land and support assets - Furniture and Office equipment	8.30%
7. Land and support assets - General purpose computers	25.00%
8. Central Office Switching - Digital	8.00%
9. Central Office Switching - Analog & Electro-mechanical	8.00%
10. Central Office Switching - Operator Systems	8.00%
11. Central Office Transmission - Radio Systems	12.50%
12. Central Office Transmission - Circuit equipment	12.50%
13. Information origination/termination - Station apparatus	100.00%
14. Information origination/termination - Customer premises wiring	100.00%
15. Information origination/termination - Large private branch exchanges	100.00%
16. Information origination/termination - Public telephone terminal equipment	100.00%
17. Information origination/termination - Other terminal equipment	100.00%
18. Cable and wire facilities - Poles	7.00%
19. Cable and wire facilities - Aerial cable - Metal	6.75%
20. Cable and wire facilities - Aerial cable - Fiber	7.00%
21. Cable and wire facilities - Underground cable - Metal	7.00%
22. Cable and wire facilities - Underground cable - Fiber	7.00%
23. Cable and wire facilities - Buried cable - Metal	7.00%
24. Cable and wire facilities - Buried cable - Fiber	7.00%
25. Cable and wire facilities - Conduit systems	1.70%
26. Cable and wire facilities - Other	7.00%

USDA-RUS	BORROWER DESIGNATION TN0550
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	PERIOD ENDED December, 2013
INSTRUCTIONS – See help in the online application.	
PART I – STATEMENT OF CASH FLOWS	
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	
CASH FLOWS FROM OPERATING ACTIVITIES	
2. Net Income	
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>	
3. Add: Depreciation	
4. Add: Amortization	
5. Other (Explain)	
<i>Changes in Operating Assets and Liabilities</i>	
6. Decrease/(Increase) in Accounts Receivable	
7. Decrease/(Increase) in Materials and Inventory	
8. Decrease/(Increase) in Prepayments and Deferred Charges	
9. Decrease/(Increase) in Other Current Assets	
10. Increase/(Decrease) in Accounts Payable	
11. Increase/(Decrease) in Advance Billings & Payments	
12. Increase/(Decrease) in Other Current Liabilities	
13. Net Cash Provided/(Used) by Operations	
CASH FLOWS FROM FINANCING ACTIVITIES	
14. Decrease/(Increase) in Notes Receivable	
15. Increase/(Decrease) in Notes Payable	
16. Increase/(Decrease) in Customer Deposits	
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	
18. Increase/(Decrease) in Other Liabilities & Deferred Credits	
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	
20. Less: Payment of Dividends	
21. Less: Patronage Capital Credits Retired	
22. Other (Explain)	
23. Net Cash Provided/(Used) by Financing Activities	
CASH FLOWS FROM INVESTING ACTIVITIES	
24. Net Capital Expenditures (Property, Plant & Equipment)	
25. Other Long-Term Investments	
26. Other Noncurrent Assets & Jurisdictional Differences	
27. Other (Explain) Change in Accum. Depr. less Depr. Expense	
28. Net Cash Provided/(Used) by Investing Activities	
29. Net Increase/(Decrease) in Cash	
30. Ending Cash	

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INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

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INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	