CHR Solutions

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REDACTED –FOR PUBLIC INSPECTION

VIA ECFS

June 30, 2014

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: **REQUEST FOR CONFIDENTIAL TREATMENT** – *Connect America Fund*, WC Docket No. 10-90; *Lifeline and Link Up Reform and Modernization,* WC Docket No. 11-42

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan and Service Outage reporting included in FCC Form 481

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

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, West Texas Rural Telephone Cooperative, Inc. (the Cooperative), Study Area Code 442166, is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket Nos. 10-90 and 11-42. The Cooperative, by its authorized representative, hereby requests confidential treatment of three attachments to its FCC Form 481: (1) the five-year service quality improvement plan, (2) the financial annual report and (3) Service Outage Reporting (Voice), all of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan and the outage reporting is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's November 16, 2012 *Protective Order* in WC Docket No. 10-90 *et al.* These attachments contain competitively sensitive data that West Texas Rural Telephone Cooperative, Inc. maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Cooperative.

Five-Year Service Quality Improvement Plan and Service Outage Reporting (Voice)
Pursuant to Section 0.459 of the Commission's rules and Exemption 4 of FOIA, West Texas Rural Telephone Cooperative, Inc. requests that the text and data extracted from its five-year service quality improvement plan and the Service Outage Reporting (Voice) be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Cooperative keeps confidential. Public availability of this information would have a substantial negative impact on the Cooperative.

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan. Specifically, confidential treatment is sought for all information in the five-year plan related to the Cooperative's access line counts, existing broadband capabilities, and its network investment plans through 2019 that will improve service quality for its customers.

Attachment to Line 200 of FCC Form 481 – Service Outage Reporting (Voice). Confidential treatment is sought for all information pertaining to network outages in the Service Outage Report specifically related to the Company's access line counts.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket Nos. 10-90 and 11-42 as an attachment to FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a five-year service quality improvement plan, pursuant to 47 C.F.R. §§54.202(a)(1)(ii) and 54.313(a)(1). Section 200 requires eligible telecommunications carriers to report outage information of at least 30 minutes in duration for each service area pursuant to 47 C.F.R. §54.313(a)(2).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan contains granular information on the Cooperative's access line counts and existing broadband capabilities as well as detailed plans for financial investments in its network through 2019 to improve service to subscribers. The service outage information contains access line information which could cause harm to the competitive position of the Cooperative. Required information in both instances contain closely guarded, privileged information that the Cooperative does not make publicly available.

(4) Explanation of the degree to which the information concerns a service that is subject to competition:

Broadband service and voice service are both subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless providers that have voice and data plans. Most RLECs also face competition from at least one other wireline voice and broadband provider such as a larger cable company, who will typically seek to "cherry pick" the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite providers.

(5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan and the outage reporting would provide competitors with detailed, granular information regarding the Cooperative's access line count, its existing broadband capabilities, and its strategic plans for network investments. This would give competitors invaluable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Cooperative.

(6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Cooperative has continually treated the extracted information in its five-year plan and access line counts provided in the service outage reporting as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory authority it has been filed as confidential information, not available to the public.

(7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan and service outage reporting is not available to the public, and third party access is limited as described in (6) above.

(8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Cooperative requests that the extracted information be withheld from public inspection indefinitely. Although the information reflects the Cooperative's service improvement plans for a five year period, it would provide a very useful baseline for competitors for several years beyond that period. The Cooperative also requests that the service outage information be withheld from public inspection because of the ongoing competitive harm it may cause.

(9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the Cooperative's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). West Texas Rural Telephone Cooperative, Inc. seeks confidential treatment of its financial annual report pursuant to the November 16, 2012 *Protective Order* in WC Docket No. 10-90, *et al.*[1] The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

West Texas Rural Telephone Cooperative, Inc. is providing to the Office of the Secretary, under seal, this cover letter and the Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

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[1] *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Protective Order, DA 12-1857 (rel. Nov. 16, 2012).

Each page of the five-year service quality improvement plan confidential submission bears the legend, "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE."

Each page of the financial annual report confidential submission bears the legend, "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."

Two copies of the Form 481 filing in redacted form and an accompanying cover letter are also being provided with the confidential filing. Each page of the redacted filing and accompanying cover letter is marked "REDACTED – FOR PUBLIC INSPECTION."

Two copies of this cover letter and the Form 481 filing with the confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau.

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as an attachment to the FCC Form 481.

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,

Deb Morgan
Authorized Representative for
West Texas Rural Telephone Cooperative, Inc.

DM/pjf

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, (2 hardcopies of non-redacted submission)

Ms. Amy Linzey, West Texas Rural Telephone Cooperative, Inc.

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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name: Person USAC should contact with questions about this data	Rick Bartels
<035>	Contact Telephone Number: Number of the person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	rickb@wtrt.net

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
		(check box when complete)	
<100> Service Quality Improvement Reporting	(complete attached worksheet)	✓	
<200> Outage Reporting (voice)	(complete attached worksheet)	✓	✓
<210>	<-- check box if no outages to report	✓	
<300> Unfulfilled Service Requests (voice)	0		
<310> Detail on Attempts (voice)	(attach descriptive document)		
<320> Unfulfilled Service Requests (broadband)	0	✓	
<330> Detail on Attempts (broadband)	(attach descriptive document)		
<400> Number of Complaints per 1,000 customers (voice)			
<410> Fixed	0.0	✓	✓
<420> Mobile	0.0		
<430> Number of Complaints per 1,000 customers (broadband)		✓	
<440> Fixed	0.0		
<450> Mobile	0.0		
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	✓	✓
<510> 442166tx510.pdf	(attached descriptive document)	✓	✓
<600> Functionality in Emergency Situations	(check to indicate certification)	✓	✓
<610> 442166tx610.pdf	(attached descriptive document)	✓	✓
<700> Company Price Offerings (voice)	(complete attached worksheet)	✓	
<710> Company Price Offerings (broadband)	(complete attached worksheet)	✓	
<800> Operating Companies and Affiliates	(complete attached worksheet)	✓	✓
<900> Tribal Land Offerings (Y/N)? ○ ◉	(If yes, complete attached worksheet)		
<1000> Voice Services Rate Comparability	(check to indicate certification)	✓	
<1010> 442166tx1010.pdf	(attach descriptive document)	✓	
<1100> Terrestrial Backhaul (Y/N)? ◉ ○	(If not, check to indicate certification)		
<1110>	(complete attached worksheet)		
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)		✓

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)		
<2005>	(complete attached worksheet)		

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	✓	
<3005>	(complete attached worksheet)	✓	

(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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<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, 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.

442166tx112.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 ☐
<114> Report how much universal service (USF) support was received ☐
<115> How (USF) was used to improve service quality ☐
<116> How (USF)was used to improve service coverage ☐
<117> How (USF) was used to improve service capacity ☐
<118> Provide an explanation of network improvement targets not met in the prior calendar year. ☐

(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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<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

-- 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

<010>	Study Area Code	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<701>	Residential Local Service Charge Effective Date	1/1/2014
<702>	Single State-wide Residential Local Service Charge	

<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

(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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<711>

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

-- See attached worksheet --

(800) Operating Companies
Data Collection Form

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

<010>	Study Area Code	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<810>	Reporting Carrier	West Texas Rural Telephone Cooperative, Inc..
<811>	Holding Company	
<812>	Operating Company	West Texas Rural Telephone Cooperative, Inc.

<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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<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,No, NA)
<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.	

(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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<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

<010>	Study Area Code	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website HTTP www.wtrt.net/

"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
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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

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

Data Collection Form

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

<010>	Study Area Code	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

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)(ii))

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 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

442166tx3017.pdf

Name of Attached Document Listing Required Information

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

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

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

(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

<010>	Study Area Code	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

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:

Signature of Authorized Officer: Date

Printed name of Authorized Officer:

Title or position of Authorized Officer:

Telephone number of Authorized Officer:

Study Area Code of Reporting Carrier: Filing Due Date for this form:

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013

<010>	Study Area Code	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

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) Deb Morgan **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: Deb Morgan

Name of Reporting Carrier: WEST TEXAS RURAL TEL

Signature of Authorized Officer: CERTIFIED ONLINE Date: 06/30/2014

Printed name of Authorized Officer: Amy Linzey

Title or position of Authorized Officer: CEO/GM

Telephone number of Authorized Officer: 8062765519 ext.

Study Area Code of Reporting Carrier: 442166 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.

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: WEST TEXAS RURAL TEL

Name of Authorized Agent or Employee of Agent: Deb Morgan

Signature of Authorized Agent or Employee of Agent: CERTIFIED ONLINE Date: 06/30/2014

Printed name of Authorized Agent or Employee of Agent: Deb Morgan

Title or position of Authorized Agent or Employee of Agent Manager Business Compliance

Telephone number of Authorized Agent or Employee of Agent: 5126527705 ext.

Study Area Code of Reporting Carrier: 442166 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.

Attachments

REDACTED - FOR PUBLIC INSPECTION

(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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<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
	[redacted]										

(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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<701>	Residential Local Service Charge Effective Date	1/1/2014
<702>	Single State-wide Residential Local Service Charge	

<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
TX	Dawn		FR	14.0	0.0	0.52	0.0	14.52
TX	Frio		FR	14.0	0.0	0.52	0.0	14.52
TX	Hub		FR	14.0	0.0	0.52	0.0	14.52
TX	Milo Center		FR	14.0	0.0	0.52	0.0	14.52
TX	Oklahoma Lane		FR	14.0	0.0	0.52	0.0	14.52
TX	Parmer		FR	14.0	0.0	0.52	0.0	14.52
TX	Summerfield		FR	14.0	0.0	0.52	0.0	14.52
TX	Tharp		FR	14.0	0.0	0.52	0.0	14.52
TX	Westway		FR	14.0	0.0	0.52	0.0	14.52

(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	442166
<015>	Study Area Name	WEST TEXAS RURAL TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rick Bartels
<035>	Contact Telephone Number - Number of person identified in data line <030>	8063643331 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rickb@wtrt.net

<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}
TX	Bundle - All	28.95	0.0	28.95	1.5	0.768	0.0	Other, No limit on usage allowance
TX	Bundle - All	31.95	0.0	31.95	3.0	0.768	0.0	Other, No limit on usage allowance
TX	Bundle - All	35.95	0.0	35.95	6.0	1.0	0.0	Other, No limit on usage allowance
TX	Bundle - All	52.95	0.0	52.95	10.0	3.0	0.0	Other, No limit on usage allowance
TX	Bundle - All	65.95	0.0	65.95	15.0	3.0	0.0	Other, No limit on usage allowance
TX	Bundle - All	80.95	0.0	80.95	20.0	5.0	0.0	Other, No limit on usage allowance
TX	All	42.45	0.0	42.45	1.5	0.768	0.0	Other, No limit on usage allowance
TX	All	45.95	0.0	45.95	3.0	0.768	0.0	Other, No limit on usage allowance
TX	All	49.95	0.0	49.95	6.0	1.0	0.0	Other, No limit on usage allowance
TX	All	66.95	0.0	66.95	10.0	3.0	0.0	Other, No limit on usage allowance
TX	All	79.95	0.0	79.95	15.0	3.0	0.0	Other, No limit on usage allowance
TX	All	94.95	0.0	94.95	20.0	5.0	0.0	Other, No limit on usage allowance

West Texas Rural Telephone Cooperative
FCC 5 Year Plan
2-Jun-14

Exchange	Year 0 (Initial 4/1 Service Area) Population Covered	Year 1 (2015) Population Additions	Year 2 (2016) Population Additions	Year 3 (2017) Population Additions	Year 4 (2018) Population Additions	Year 5 (2019) Population Additions
[redacted]						

Exchange	Year 0 (Initial 4/1 Service Area) Area Covered (sq. miles)	Year 1 (2015) Area Additions (sq. miles)	Year 2 (2016) Area Additions (sq. miles)	Year 3 (2017) Area Additions (sq. miles)	Year 4 (2018) Area Additions (sq. miles)	Year 5 (2019) Area Additions (sq. miles)
[redacted]						

West Texas Rural Telephone Cooperative, Inc.
5 Year Network Service Improvement Plan
15-May-14

	2015	2016	2017	2018	2019
[redacted]					

REDACTED - FOR PUBLIC INSPECTION

West Texas Rural Telephone Cooperative, Inc.
5 Year Network Service Improvement Plan

	2015					2016				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
[redacted]										

REDACTED - FOR PUBLIC INSPECTION

West Texas Rural Telephone Cooperative, Inc.
5 Year Network Service Improvement Plan

	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
[redacted]										

West Texas Rural Telephone Cooperative, Inc.
5 Year Network Service Improvement Plan

	2019 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
[redacted]					

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

15-May-14

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#1 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#5 & 6 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#7 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#9 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#10 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#11 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#13 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#17 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#19 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

#22 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

6-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

8-May-13

[redacted]

#25 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

9-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

9-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

[redacted]

#29 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

9-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

9-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

9-May-13

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

9-May-13

[redacted]

#33 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

15-May-14

[redacted]

#34 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

15-May-14

[redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

15-May-14

[redacted]

#36 [redacted]

West Texas Rural Telephone Cooperative

Five Year Broadband Plan

15-May-14

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

West Texas Rural Telephone Cooperative complies with applicable service quality standards and consumer protection rules for its voice and broadband services.

Service quality standards for voice service are established by the state commission. The Cooperative consistently meets or exceeds those standards and provides reports to the state commission, in accordance with the state commission's rules.

The Cooperative complies with any and all consumer protection obligations under state law.

The Cooperative also complies with the following consumer best practices: (1) the Cooperative discloses its rates and terms of service to customers; (2) the Cooperative provides specific disclosures in its advertising; (3) the Cooperative separately identifies carrier charges from taxes on its billing statements; (4) the Cooperative provides ready access to customer service; (5) the Cooperative promptly responds to consumer inquiries and complaints received from government agencies; and (6) the Cooperative abides by policies for protection of consumer privacy.

Finally, the Cooperative has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information (CPNI) rules (47 C.F.R. §§64.2001-64.2011). Certification of the Cooperative's compliance with CPNI rules and a description of the Cooperative's operating procedures that ensure compliance are filed annually with the FCC.

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

West Texas Rural Telephone Cooperative, Inc. is able to function in emergency situations. The Cooperative has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Cooperative is able to reroute traffic around damaged facilities. Although the Cooperative's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

LINE 1010 – VOICE SERVICES RATE COMPARABILITY

The Wireline Competition Bureau's most recent reasonable comparability benchmark for voice services is $46.96, which includes the federal subscriber line charge ("SLC").[1]

In the exchanges served by West Texas Rural Telephone Cooperative, Inc. ("the Cooperative"), the highest single-line residential local rate, including any mandatory extended area service charge, is $14.00. When the federal SLC ($6.50) and the state universal service fee ($.52) are included, the rate becomes $20.50. Therefore, the Cooperative's pricing of fixed voice services is less than the reasonable comparability benchmark of $46.96.

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[1] *Wireline Competition Bureau Announces Results of Urban Rate Survey for Voice Services; Seeks Comment on Petition for Extension of Time to Comply With New Rate Floor*, WC Docket No. 10-90, DA 14-384 (rel. Mar. 20, 2014), p. 2.

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

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.

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER NAME: West Texas Rural Telephone Cooperative, Inc.

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, 2013

BORROWER DESIGNATION: TX0507

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

Amy Linzey — 3/26/2014 (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			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
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			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			**35. Total Current Liabilities (25 thru 34)**		
6. Material-Regulated			**LONG-TERM DEBT**		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			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			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			**46. Total Long-Term Debt (36 thru 45)**		
13. Nonregulated Investments			**OTHER LIAB. & DEF. CREDITS**		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
PLANT, PROPERTY, AND EQUIPMENT			**EQUITY**		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = 81.29% % of Total Assets

USDA-RUS **OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS** *INSTRUCTIONS- See RUS Bulletin 1744-2*	BORROWER DESIGNATION TX0507 PERIOD ENDING December, 2013

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
TX0507

PERIOD ENDED
December, 2013

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)
Dawn	[redacted]						
Frio	[redacted]						
Hub	[redacted]						
Milo Center	[redacted]						
Oklahoma Lane	[redacted]						
Parmer	[redacted]						
Summerfield	[redacted]						
Tharp	[redacted]						
Westway	[redacted]						
MobileWireless					[redacted]		
Route Mileage Outside Exchange Area						[redacted]	
Total			[redacted]				
No. Exchanges	[redacted]						

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION
TX0507

PERIOD ENDED
December, 2013

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)	Adver ised Download Rate (Kbps) (d)	Adver ised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Dawn	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Frio	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Hub	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Milo Center	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Oklahoma Lane	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Parmer	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Summerfield	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Tharp	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Westway	[redacted]	[redacted]	[redacted]	1,500	768	31.95	Package	DSL
Total	[redacted]							

USDA-RUS **OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS**	BORROWER DESIGNATION TX0507 PERIOD ENDING December, 2013
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
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

PART E. TOLL DATA

1. Study Area ID Code(s)	2. Types of Toll Settlements (Check one)		
a. 442166	Interstate:	☐ Average Schedule	☒ Cost Basis
b.	Intrastate:	☐ Average Schedule	☒ Cost Basis
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	[redacted]
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	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*
1. Investment in Affiliated Companies - Rural Development		[redacted]	[redacted]	[redacted]	[redacted]
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS **OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS**	BORROWER DESIGNATION TX0507 PERIOD ENDING December, 2013

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) [X] YES [ ] NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	
6. Land and support assets - Furniture and Office equipment	
7. Land and support assets - General purpose computers	
8. Central Office Switching - Digital	
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	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

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PART I – STATEMENT OF CASH FLOWS

1.	**Beginning Cash (Cash and Equivalents plus RUS Construction Fund)**	
	CASH FLOWS FROM OPERATING ACTIVITIES	
2.	**Net Income**	
	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
3.	Add: Depreciation	
4.	Add: Amortization	
5.	Other (Explain) affiliated rev, accrued taxes, non reg deprec	
	Changes in Operating Assets and Liabilities	
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) LT Liab to Operating Activities less APBO	
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) plant retired, salvage retirements & LT Investments to operating	
28.	**Net Cash Provided/(Used) by Investing Activities**	
29.	**Net Increase/(Decrease) in Cash**	
30.	**Ending Cash**	

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NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

[redacted]

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CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS