

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	442135
<015>	Study Area Name	SOUTHWEST TEXAS TEL
<020>	Program Year	2015
<030>	Contact Name: Person USAC should contact with questions about this data	Gary Gilmer
<035>	Contact Telephone Number: Number of the person identified in data line <030>	8306831924 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	gary@swtexas.com

ANNUAL REPORTING FOR ALL CARRIERS	54,313 Completion Required	54,422 Completion Required
--	----------------------------------	----------------------------------

			(check box when complete)	
<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 type="checkbox"/> <-- check box if no outages to report		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<300>	Unfulfilled Service Requests (voice) <input style="width: 50px;" 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 style="width: 50px;" 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 style="width: 50px;" type="text" value="0.0010"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420>	Mobile	<input style="width: 50px;" type="text" value="0.0"/>	<input type="checkbox"/>	<input type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)			
<440>	Fixed	<input style="width: 50px;" type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<450>	Mobile	<input style="width: 50px;" type="text" value="0.0"/>	<input 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; height: 40px; width: 100%;"></div> <i>442135t:x510.pdf</i>	<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; height: 40px; width: 100%;"></div> <i>442135t:x610.pdf</i>	<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 type="radio"/>	<i>(if yes, complete attached worksheet)</i>	<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; height: 40px; width: 100%;"></div> <i>442135t:x1010.pdf</i>	<i>(attach descriptive document)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1100>	Terrestrial Backhaul (Y/N)? <input type="radio"/> <input type="radio"/>	<i>(if not, check to indicate certification)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<1110>		<i>(complete attached worksheet)</i>	<input 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
 Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>		<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 type="checkbox"/>	<input type="checkbox"/>
<3005>		<i>(complete attached worksheet)</i>	<input 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

<010>	Study Area Code	442135
<015>	Study Area Name	SOUTHWEST TEXAS TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	gary@swtexas.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.

442135tx112.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.

(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	442135
<015> Study Area Name	SOUTHWEST TEXAS TEL
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035> Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	gary@swtexas.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

<010>	Study Area Code	442135
<015>	Study Area Name	SOUTHWEST TEXAS TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	gary@swtexas.com

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

Please check this box to confirm the reporting carrier offers
<1130> 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	442135
<015>	Study Area Name	SOUTHWEST TEXAS TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	gary@swtexas.com

442135tx1210.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP

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

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,
- <1222> Details on the number of minutes provided as part of the plan,
- <1223> Additional charges for toll calls, and rates for each such plan.

(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	442135
<015>	Study Area Name	SOUTHWEST TEXAS TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	gary@svtexas.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

<p>[3000] Rate Of Return Carrier Additional Documentation</p> <p>Data Collection Form</p>	<p>FCC Form 481</p> <p>DMB Control No. 3060-0986/OMB Control No. 3060-0819</p> <p>July 2013</p>
--	---

<010> Study Area Code	442135
<015> Study Area Name	SOUTHWEST TEXAS TEL
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035> Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	gary@swtexas.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)(ii))

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

442135tx3017.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	442135
<015> Study Area Name	SOUTHWEST TEXAS TEL
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035> Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	gary@swtexas.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:	
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	442135
<015> Study Area Name	SOUTHWEST TEXAS TEL
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Gary Gilmer
<035> Contact Telephone Number - Number of person identified in data line <030>	8306831924 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	gary@swtexas.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) <u>Stephen Gatto</u> 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:	<u>Stephen Gatto</u>
Name of Reporting Carrier:	<u>SOUTHWEST TEXAS TEL</u>
Signature of Authorized Officer:	<u>CERTIFIED ONLINE</u> Date: <u>06/30/2014</u>
Printed name of Authorized Officer:	<u>Gary Gilmer</u>
Title or position of Authorized Officer:	<u>President</u>
Telephone number of Authorized Officer:	<u>8306831924 ext.</u>
Study Area Code of Reporting Carrier:	<u>442135</u> Filing Due Date for this form: <u>07/01/2014</u>
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:	<u>SOUTHWEST TEXAS TEL</u>
Name of Authorized Agent or Employee of Agent:	<u>Stephen Gatto</u>
Signature of Authorized Agent or Employee of Agent:	<u>CERTIFIED ONLINE</u> Date: <u>06/30/2014</u>
Printed name of Authorized Agent or Employee of Agent:	<u>Stephen Gatto</u>
Title or position of Authorized Agent or Employee of Agent:	<u>Consultant</u>
Telephone number of Authorized Agent or Employee of Agent:	<u>8308957226 ext.</u>
Study Area Code of Reporting Carrier:	<u>442135</u> Filing Due Date for this form: <u>07/01/2014</u>
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

SOUTHWEST TEXAS TELEPHONE COMPANY – SAC 442135

FCC Form - Program Year 2015

Line 510

**COMPLIANCE WITH SERVICE QUALITY STANDARDS
AND CONSUMER PROTECTION RULES - §54.313(a)(5)**

Southwest Texas Telephone Company (“Southwest Texas” or “the Company”) complies with all applicable service quality standards and consumer protection rules as required by the Public Utility Commission of Texas (“PUC”) and the Federal Communications Commission (“FCC”).

The rates, terms and conditions under which the Company operates are identified in its Local Exchange Tariff, which is approved by the PUC. The Company’s tariff contains provisions regarding its customer service and protection practices, including resolving customer disputes, applying for, refusing, disconnection and cancellation of service. Rates and terms of service are disclosed to customers upon application for service as part of a packet of information for new customers.

Service quality standards are established by the PUC and Southwest Texas consistently meets or exceeds those requirements. The Company provides quarterly reports to the Texas PUC pursuant to the commission’s rules.

The protection of its customers’ privacy and information is a constant part of Southwest Texas’ quality of service. The Company has a policy and operating procedures that comply with the FCC’s Customer Proprietary Network Information (“CPNI”) rules (47 C.F.R 64.2001 – 64.2011). Certification of Southwest Texas’ compliance with the FCC’s CPNI rules is filed with the FCC annually.

SOUTHWEST TEXAS TELEPHONE COMPANY – SAC 442135

FCC Form 481 - Program Year 2015

Line 610

ABILITY TO FUNCTION IN EMERGENCY SITUATIONS - §54.313(a)(6)

Southwest Texas Telephone Company (“Southwest Texas” or “the Company”) is capable of functioning in emergency situations. Southwest Texas has a reasonable amount of back-up power to ensure functionality without a commercial external power source. The Company has permanently installed standby power generators at its exchange switching offices and remote switching locations have a minimum of eight (8) hours of backup battery capacity. These remote sites are also equipped to accept portable emergency power if necessary. The Company’s network is capable of managing traffic spikes resulting from emergency conditions.

SOUTHWEST TEXAS TELEPHONE COMPANY – SAC 442135

FCC Form 481 - Program Year 2015

Line 1010

DESCRIPTION OF VOICE SERVICES RATE COMPARABILITY - §54.313(a)(10)

Southwest Texas Telephone Company (“Southwest Texas” or “the Company”) Voice Services Pricing is no more than two standard deviations above the applicable urban rate floor for voice services. On March 20, 2014, the Wireline Competition Bureau (“Bureau”) established a new average urban floor rate of \$20.46 and a maximum of \$46.96 as the Rate Comparability Benchmark. As shown by Southwest Texas’ response to 700 (Attachment File: 442135tx700.pdf), Southwest Texas’ total residential voice service rate plus mandatory state fees is \$14.52. When all state and federal mandatory charges are added to Southwest Texas’ residential voice service rate the total rate is below the \$46.96 Rate Comparability Benchmark set by the Bureau.

LOCAL RATE SCHEDULE

V. LIFELINE SERVICE

A. General

1. Lifeline Service is a retail local service offering sponsored by the FCC and available to qualifying low-income consumers.
2. Consumers qualifying for Lifeline Service are offered the services or functionalities enumerated in 47 Code of Federal Regulations §54.101(a)(1)-(8) (relating to Supported Services for Rural, Insular and High Cost Areas).
3. The Company shall offer toll restriction at no charge to all qualifying low-income consumers at the time such consumers subscribe to Lifeline Service. If the consumer elects to receive toll restriction, that service shall become part of the consumer's Lifeline Service.
4. A customer otherwise eligible to receive the Lifeline Service shall not be prohibited from obtaining and using telecommunication equipment and services designed to aid such customer in utilizing qualifying telecommunication services.
5. Lifeline Service rate reductions do not apply to long distance service, 976 and other information provider services, or any other optional services or functionalities (i.e., custom calling features, construction, etc.) which may or may not be tarified. Customers may obtain such services including bundled service, where available, at their discretion, although the Lifeline Service reduction only applies to basic service charges in the bundled service.
6. The Company will waive number portability charges, subject to the tariff, for the Lifeline customer.

T
|
T
|
N
|
N
|
M

FOR COMMISSION USE ONLY

Issued:
Effective: Upon Approval
By: Gary Gilmer

LOCAL RATE SCHEDULE

V. LIFELINE SERVICE (Continued)

B. Eligibility Requirements (Continued)

4. The discontinuance of the Tel-Assistance program effective September 1, 2001 allows the Company to move Tel-Assistance customers to Lifeline Service.

(T) (D)
| |
(T) (D)

5. Procedures for Establishing Eligibility

(a) Consumers within the Company's service area identified as eligible for Lifeline Service by the Low-Income Discount Administrator (LIDA) through the automatic enrollment process under Commission Substantive Rule 26.412, shall be provided Lifeline Service discounts unless the Company receives a customer request to be excluded from such discounts.

(T) (D)
| |
(T) (D)

FOR COMMISSION USE ONLY

Issued:
Effective: Upon Approval
By: Gary Gilmer

LOCAL RATE SCHEDULE

IV. LIFELINE SERVICE (Continued)

B. Eligibility Requirements (Continued)

5. Procedures for Establishing Lifeline Discounts
(Continued)

(b) LIDA shall provide the Company with a monthly list of consumers eligible for Lifeline Service.

(c) The Company shall provide Lifeline Service to all eligible consumers identified by LIDA within its service area if the consumer is a customer of the Company. Within 30 days after receipt of the list, the Company shall begin reduced billing for those eligible low-income consumers.

(d) If the eligible consumer changes the telephone service to qualifying services or initiates new qualifying service, the Company shall begin reduced billing at the time the change of service becomes effective or at the time the new service is established. No service charges apply to convert a consumer's account to Lifeline Service.

(e) The Company will discontinue Lifeline Service discounts upon notice by LIDA that a customer is no longer eligible for Lifeline.

(f) The Company has provided a confidentiality agreement to LIDA specifying the use of confidential client information is solely for providing Lifeline Service.

T

T

T
T

T

FOR COMMISSION USE ONLY

Issued:
Effective: Upon Approval
By: Gary Gilmer

LOCAL RATE SCHEDULE

IV. LIFELINE SERVICE (Continued)

C. Deposits

2. The deposit requirements will be waived for Lifeline Service applicants who voluntarily elect to subscribe to Toll Restriction Service.

D. Lifeline Service Discounts

1. Eligible consumers who subscribe to Lifeline Service will receive the following discounts:

- (a) Federal Lifeline support amount. The Company (T D) shall grant qualifying low-income consumers support of \$9.25 per month or equal to the support amount as directed by the Federal Communications Commission in Chapter 47 of the Code of Federal Regulations regarding Lifeline support.
- (b) DELETED
- (c) State reduction. The Company shall grant qualifying low-income consumers the state-approved reduction of up to \$3.50 in the monthly amount of intrastate charges due.

(T) D)

FOR COMMISSION USE ONLY

Issued:
Effective: Upon Approval
By: Gary Gilmer

LOCAL RATE SCHEDULE

V. LIFELINE SERVICE (Continued)

E. Service Charges

1. Service charges do not apply when eligible customers with existing residential service convert to Lifeline Service.
2. Service charges apply when:
 - (a) At the time Lifeline Service billing is initiated, where existing eligible residential local exchange access service customers request additional features, such as special or custom calling features.
 - (b) A customer receiving Lifeline Service voluntarily elects to convert to telephone service arrangements, which preclude Lifeline Service eligibility.
 - (b) New residential applicants (those without existing local exchange access service) eligible for the Lifeline Program will be subject to applicable service charges.
3. Any subsequent moves or changes after the initial connection to Lifeline Service will be subject to applicable service charges.

(D)
|
(D)

F. Payments and Disconnection of Service

1. The Company may not disconnect Lifeline Service for nonpayment of toll charges.
2. A Lifeline customer is required to adhere to the same bill payment policies applicable to all of the Company's customers.

FOR COMMISSION USE ONLY

Issued:
Effective: Upon Approval
By: Gary Gilmer

REDACTED - FOR PUBLIC INSPECTION

REDACTED – FOR PUBLIC INSPECTION

ATTACHMENT – LINE 112

ATTACHMENT REDACTED IN ENTIRETY

REDACTED- FOR PUBLIC INSPECTION

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TX0558 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]		

REDACTED- FOR PUBLIC INSPECTION

USDA-RUS

OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

TX0558

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)
Barksdale							
D'Hanis							
Vinegarroon							
Camp Wood							
Rocksprings							
Utopia							
MobileWireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges							

REDACTED- FOR PUBLIC INSPECTION

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TX0558 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
------------------------	------------------------	------------------------	---------------------------------	-------------------------------

PART E. TOLL DATA

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

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended		
2. Other Long-Term Loan Funds Expended		
3. Funds Expended Under RUS Interim Approval		
4. Other Short-Term Loan Funds Expended		
5. General Funds Expended (Other than Interim)		
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	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2. Investment in Affiliated Companies - Nonrural Development	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TX0558
	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) 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	

REDACTED- FOR PUBLIC INSPECTION

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TX0558 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) Distributions to Shareholders	
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 Removal Cost, Salvage, Retirement of Plant	
28. Net Cash Provided/(Used) by Investing Activities	
29. Net Increase/(Decrease) in Cash	
30. Ending Cash	

REDACTED- FOR PUBLIC INSPECTION

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION TX0558
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	
	

REDACTED- FOR PUBLIC INSPECTION

<p>USDA-RUS</p> <p>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	<p>BORROWER DESIGNATION</p> <p>TX0558</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p>December, 2013</p>
<p>CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	