



REDACTED – FOR PUBLIC INSPECTION

WHIDBEY
TELECOM

July 1, 2014

Ms. Marlene H. Dortch, Secretary
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Ms. Dortch:

Re: WC Docket No. 10-90, 11-42 and 14-58 –
FCC Form 481 due July 1, 2014 -
Whidbey Telephone Company (Study Area 522452)

Enclosed herewith for filing with the Federal Communications Commission (“Commission”) is an unredacted copy of the FCC Form 481 (including the attachments thereto), due July 1, 2014, of Whidbey Telephone Company (“Company”), as filed electronically with the United States Administrative Company pursuant to Sections 54.313 and 54.422 of the Commission’s rules, 47 C.F.R. §§ 54.313 and 54.422, and two redacted copies of that same document. These documents are being submitted in accordance with, and pursuant to and under the Protective Order issued by the Chief, Wireline Competition Bureau, released November 16, 2012, (DA 12-1857) in WC Docket No. 10-90, *et al.* (“Protective Order”), with the former being a Stamped Confidential Document, as that term is defined in Paragraph 2 of the Protective Order, and with each of the latter being a Redacted Confidential Document, as that term is defined in Paragraph 2 of the Protective Order. Each of these documents has been stamped (marked) in accordance with the instructions set forth in Paragraph 4 of the Protective Order.

In accordance with Paragraph 4 of the Protective Order, two copies of the above-mentioned Stamped Confidential Document and this cover letter are being delivered to Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 5-A452, Washington, D.C. 20554.

The information in this filing for which protected status under the Protective Order is being sought is limited to “Confidential Financial Information,” as that term is defined in the Protective Order. The Company represents that to the best of the Company’s knowledge, that information is not otherwise available from publicly available sources, that the Company has kept that information strictly confidential, and that the information is subject to protection under FOIA and the Commission’s

Ms. Marlene H. Dortch, Secretary
Office of the Secretary
Federal Communications Commission
July 1, 2014
Page 2

implementing rules, and the Company claims that information constitutes some of its most sensitive business data which, if released to competitors or those with whom the Company does business, would allow those persons to gain a significant advantage in the marketplace or in negotiations.

Please let us know if the Commission has any questions regarding the accompanying FCC Form 481 documents.

Very truly yours,



Bruce Russell
Chief Operating Officer

Enclosures:

- FCC Form 481 - Stamped Confidential Document – 1 copy
- FCC Form 481 - Redacted Confidential Document – 2 copies

cc (with 2 copies of this letter and of FCC Form 481 –
Stamped Confidential Document):

Charles Tyler
Telecommunications Access Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W., Room 5-A452
Washington, D.C. 20554

REDACTED – FOR PUBLIC INSPECTION

LAW OFFICES
BLOOSTON, MORDKOFKY, DICKENS, DUFFY & PRENDERGAST, LLP
2120 L STREET, NW, SUITE 300
WASHINGTON, DC 20037

(202) 659-0830
FACSIMILE: (202) 828-5568

HAROLD MORDKOFKY
BENJAMIN H. DICKENS, JR.
JOHN A. PRENDERGAST
GERARD J. DUFFY
RICHARD D. RUBINO
MARY J. SISAK
D. CARY MITCHELL
SALVATORE TAILLEFER, JR.

ARTHUR BLOOSTON
1914 – 1999

AFFILIATED SOUTH AMERICAN OFFICES

ESTUDIO JAUREGUI & ASSOCIATES
BUENOS AIRES, ARGENTINA

ROBERT M. JACKSON
OF COUNSEL

PERRY W. WOOFER
LEGISLATIVE CONSULTANT

EUGENE MALISZEWSKYJ
ENGINEERING CONSULTANT

July 1, 2014

WRITER'S CONTACT INFORMATION

(202) 828-5528
gjd@bloostonlaw.com

WC Docket Nos. 10-90, 11-42 and 14-58

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Room TW-A325
Washington, DC 20554

**RE: Rule Section 0.459 Request for Confidential Treatment
Whidbey Telephone Company (SAC 522452)
FCC Form 481 – Carrier Annual Reporting Data Collection Form**

Dear Ms. Dortch:

Whidbey Telephone Company (“the Company”) hereby requests, pursuant to Section 0.459 of the Commission’s Rules, that the redacted portions of the Company’s “5-Year Service Quality Improvement Plan” be withheld from public inspection.

In accordance with Section 0.459(b) of the Commission’s Rules, the Company states:

1. The specific information for which confidentiality is sought is comprised of the charts detailing annual projected network improvements and upgrades for voice and broadband services during the period from 2014 through 2019, and projecting capital expenditures and operating expenses for voice and broadband services during the same five-year period.
2. This information is submitted in compliance with the requirement in Section 54.313(a)(1) of the Commission’s Rules that recipients of high-cost support submit a progress report on their five-year service quality improvement plans.

REDACTED – FOR PUBLIC INSPECTION

Marlene H. Dortch, Secretary

July 1, 2014

Page 2 of 3

3. This information regarding the nature and timing of the Company's construction and network improvement plans, and the estimated costs thereof, is proprietary and confidential commercial and financial information that is routinely withheld from public inspection.

4. The voice and broadband services for which the 5-year service improvement plans have been prepared are subject to actual competition from a multiple system cable television operator as well as potential competition from competitive local exchange carriers, electric power utilities, fixed and mobile wireless service providers, and/or satellite carriers. The nature and scheduling of the Company's network upgrades and the size and timing of its related expenditures constitute very valuable competitive intelligence for any entity that is presently competing or that may be contemplating or planning entry into the Company's service area.

5. The nature and scheduling of the Company's network upgrades and the size and timing of its related expenditures constitute very valuable competitive intelligence that can greatly assist the planning of any entity that is already competing or that may be contemplating entry into the Company's service area.

6. The Company limits internal access to its 5-year service improvement plan to its key employees and consultants who need the information for planning, reporting and management purposes. The plan is not posted on any Company website, or included in any Company press release, report or other document that is available to the general public or to unrestricted portions thereof.

7. The Company does not make its 5-year service improvement plans available to the public, and has not previously disclosed the present plan or similar previous plans to third parties.

8. The Company requests that the redacted information in the individual annual charts included in the plan not be available for public disclosure until at least the end of the next full calendar year following the calendar year to which the chart applies. Competitors and potential competitors should not be able to see the Company's network deployment and expenditure plans for a particular year prior to the year, during the year, or during the year following the year (particularly because weather and other factors can cause construction delays). After that period, projects are generally completed, and competitors are able to observe directly or read published reports of what the Company actually did to improve its network and services.

REDACTED – FOR PUBLIC INSPECTION

Marlene H. Dortch, Secretary
July 1, 2014
Page 3 of 3

The Company notes that it is also redacting and claiming confidential treatment, pursuant to the Bureau's *Protective Order*, DA 12-1857, released November 16, 2012, for the financial information submitted in compliance with the requirements of Section 54.313(f)(2) of the Commission's Rules.

Respectfully submitted,
Whidbey Telephone Company

By: 
Gerard J. Duffy

Its Attorney

Blooston, Mordkofsky, Dickens,
Duffy & Prendergast, LLP
2120 L Street NW (Suite 300)
Washington, DC 20037
Telephone: (202) 659-0830
Facsimile: (202) 828-5568
Email: gjd@bloostonlaw.com

| | |
|--|-----------------------------|
| <010> Study Area Code | 331112 |
| <015> Study Area Name | WHELEBY TEL CO. |
| <020> Program Year | 2013 |
| <030> Contact Name: Parson USAC should contact with questions about this data | Torian Mason |
| <035> Contact Telephone Number: Number of the person identified in data line <030> | 3471110313 ext |
| <039> Contact Email Address: Email of the person identified in data line <030> | torian.mason@whidbeytel.com |

ANNUAL REPORTING FOR ALL CARRIERS

| | 54.313 Completion Required | 54.422 Completion Required |
|--|----------------------------------|----------------------------------|
|--|----------------------------------|----------------------------------|

| | | 54.313 Completion Required | 54.422 Completion Required |
|--|---|-------------------------------------|-------------------------------------|
| <100> Service Quality Improvement Reporting | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <200> Outage Reporting (voice) | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <210> | <input checked="" type="checkbox"/> ← check box if no outages to report | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <300> Unfulfilled Service Requests (voice) | 0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <310> Detail on Attempts (voice) | [Redacted] (attach descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <320> Unfulfilled Service Requests (broadband) | 0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <330> Detail on Attempts (broadband) | [Redacted] (attach descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <400> Number of Complaints per 1,000 customers (voice) | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <410> Fixed | 3.32175 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <420> Mobile | 0.0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <430> Number of Complaints per 1,000 customers (broadband) | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <440> Fixed | 0.0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <450> Mobile | 0.0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <500> Service Quality Standards & Consumer Protection Rules Compliance | (check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <510> | 522452vxs10.pdf (attached descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <600> Functionality in Emergency Situations | (check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <610> | 522452vxs10.pdf (attached descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <700> Company Price Offerings (voice) | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <710> Company Price Offerings (broadband) | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <800> Operating Companies and Affiliates | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <900> Tribal Land Offerings (Y/N)? | (if yes, complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1000> Voice Services Rate Comparability | (check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1010> | [Redacted] (attach descriptive document) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1100> Terrestrial Backhaul (Y/N)? | (if not, check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1110> | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <1200> Terms and Condition for Lifeline Customers | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet | | | |
| <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i> | | | |
| <2000> | (check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <2005> | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet | | | |
| <3000> | (check to indicate certification) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <3005> | (complete attached worksheet) | <input checked="" type="checkbox"/> | <input checked="" 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 | 522452 |
| <015> | Study Area Name | WHIDBEY TEL CO. |
| <020> | Program Year | 2015 |
| <030> | Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 3603210013 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeytel.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 checked="" 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.



Name of Attached Document

Please check these boxes below to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How (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 | 522452 |
| <015> Study Area Name | WHIDBEY TEL CO. |
| <020> Program Year | 2015 |
| <030> Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 3603210013 ext. |
| <039> Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeytel.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 | 522452 |
| <015> | Study Area Name | WHIDBRY TEL CO. |
| <020> | Program Year | 2015 |
| <030> | Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 3603210013 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeytel.com |

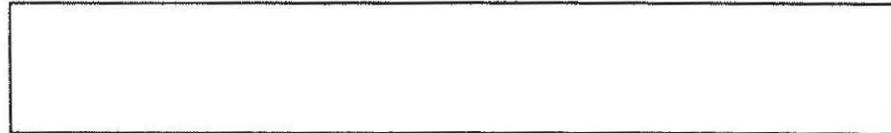
<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G)

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

| | | |
|-------|---|----------------------------|
| <010> | Study Area Code | 522452 |
| <015> | Study Area Name | WHIDBEY TEL CO. |
| <020> | Program Year | 2015 |
| <030> | Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 3603210013 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeytel.com |

<1210> Terms & Conditions of Voice Telephony Lifeline Plans



Name of Attached Document

<1220> Link to Public Website

HTTP <https://www.whidbeytel.com/products-services/voice-services/local-voice-service>

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

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

| | |
|--|--|
| (2000) Price Cap Carrier Additional Documentation Data Collection Form <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i> | FCC Form 481 OMB Control No. 3060-0886/OMB Control No. 3060-0819 July 2013 |
|--|--|

| | | |
|-------|---|----------------------------|
| <010> | Study Area Code | 522452 |
| <015> | Study Area Name | WHIDBEY TEL CO. |
| <020> | Program Year | 2015 |
| <030> | Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 3603210013 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeytel.com |

CHECK the boxes below to note compliance as a recipient of incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

- Incremental Connect America Phase I reporting
- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)}
- <2011> 3rd Year Certification {47 CFR § 54.313(b)(2)}
- Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}
- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification
- Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}
- <2016> Certification Support Used to Build Broadband
- Connect America Phase II Reporting {47 CFR § 54.313(e)}
- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.
- <2021> Interim Progress Community Anchor institutions

Name of Attached Document Listing Required Information

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

| | | |
|-------|---|----------------------------|
| <010> | Study Area Code | 322452 |
| <015> | Study Area Name | WHIDBEY TEL CO. |
| <020> | Program Year | 2015 |
| <030> | Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 3602110013 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeytel.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)(B))

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

Name of Attached Document Listing Required Information

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

(Yes/No) Yes No

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

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

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

(3021) Management letter issued by the independent certified public accountant that performed the company's financial audit.

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

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

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

(3024) Underlying information subjected to an officer certification

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

(3026) Attach the worksheet listing required information

522452wa3026.pdf

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 | 522452 |
| <015> Study Area Name | WHIDBEY TEL CO. |
| <020> Program Year | 2015 |
| <030> Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 3603210013 ext. |
| <039> Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeytel.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: | WHIDBEY TEL CO. |
| Signature of Authorized Officer: | CERTIFIED ONLINE Date 07/01/2014 |
| Printed name of Authorized Officer: | Bruce Russell |
| Title or position of Authorized Officer: | COO |
| Telephone number of Authorized Officer: | 3603210086 ext. |
| Study Area Code of Reporting Carrier: | 522452 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. | |

**WHIDBEY TELEPHONE COMPANY – 5-YEAR SERVICE QUALITY IMPROVEMENT PLAN
PURSUANT TO 47 C.F.R. 54.202(a)**

Whidbey Telephone Company (“WTC”) (“Company”) hereby submits initial five-year build-out Service Quality Improvement Plan pursuant to 47 C.F.R 54.202(a)(1)(ii) that specifies proposed improvements or upgrades to the WTC network throughout its service area. In addition, WTC is providing information that includes an estimate of the population that will be serviced as a result of these improvements.

The receipt of universal service support, combined with other funding sources will allow WTC to continue to provide reliable, state-of-the-art, high-quality voice and broadband service to a population base of 17,252 with an estimated 8,678 homes in the rural communities of South Whidbey Island and Point Roberts, WA. The projects listed within this plan will be used to improve or upgrade the network over the next five years, and in addition to the substantial expenditures and investments made over the past several years, will enable WTC to continue its long history of providing high quality and state-of-the-art telecommunications services.

The expected benefit to customers from the anticipated investment and expenditures is that customers will continue to receive a high level of telecommunication services and the new facilities will result in and/or enhance a platform that will provide additional capacity for the provision of existing supported services to customers in the Company’s designated ETC service area and on which additional telecommunications services, including, but not limited to, advanced telecommunications services can be provided to customers in the Company’s designated ETC service area. These projects will improve the quality of service and network capacity available to the Company’s customers in the portions of the Company’s designated ETC service area in which new facilities are to be deployed, as well as increase the number of services available in most, if not all, of the Company’s designated ETC service area. The Company further expects that any federal high-cost fund support received by the Company will aid the Company’s efforts to continue to provide the supported services at rates that are reasonably comparable to the rates for such services in urban areas. All customers in the Company’s designated ETC service area will benefit from the expected level of universal service support by continuing to have available to them services that are reasonably comparable to the telecommunications services offered in urban areas at rates that, if adequately supported by other factors, such as state universal service fund, are reasonably comparable to the rates for such services in urban areas.

Over the next 5 years, WTC will enhance its network to include fast broadband speeds, shortening its existing local loops to enable faster broadband speeds and expanding its core network to handle increased bandwidth services. In addition, WTC will continue to expand its existing fiber optic network to support additional bandwidth requirements. Finally, WTC will continue to support and maintain all existing network infrastructure to insure the highest level of uninterrupted services and to complete all service requests within a reasonable amount of time.

Whidbey Telephone Company has scheduled the following improvement and/or upgrades to its network(s). These improvements and/or upgrades are either currently in progress and/or are scheduled to take place over the five year time period covering the calendar years of 2014 through 2019:

| Network Improvements/Upgrades – Voice Services – For Calendar Year 2014 | | | | |
|---|----------------------|---------------------------|-------------------|----------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| • Redacted | 01/01/2014 | 12/31/2014 | Redacted | 3,076 |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 17,252 |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 17,252 |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 15,938 |
| Redacted | 01/01/2014 | 06/30/2014 | Redacted | 15,938 |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 17,252 |

| Network Improvements/Upgrades – Voice Services – For Calendar Year 2015 | | | | |
|---|----------------------|---------------------------|-------------------|----------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| • Redacted | 01/01/2015 | 12/31/2015 | Redacted | 1,578 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 15,938 |
| Redacted | 01/01/2015 | 06/30/2015 | Redacted | 15,938 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |

| Network Improvements/Upgrades – Voice Services – For Calendar Year 2016 | | | | |
|---|----------------------|---------------------------|----------|----------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Redacted | Estimated Population |
| • Redacted | 01/01/2016 | 06/30/2016 | Redacted | 658 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |

Redacted – For Public Inspection

| | | | | |
|----------|------------|------------|----------|--------|
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 15,938 |
| Redacted | 01/01/2016 | 06/30/2016 | Redacted | 15,938 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |

| |
|--|
| WHIDBEY TELEPHONE COMPANY – 5-YEAR SERVICE QUALITY IMPROVEMENT PLAN PURSUANT TO 47 C.F.R. 54.202(a) |
|--|

| Network Improvements/Upgrades – Voice Services – For Calendar Year 2017 | | | | |
|---|----------------------|---------------------------|-------------------|----------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2017 | 12/31/2017 | Redacted | 17,252 |
| Redacted | 01/01/2017 | 12/31/2017 | Redacted | 15,938 |
| Redacted | 01/01/2017 | 06/30/2017 | Redacted | 15,938 |
| Redacted | 01/01/2017 | 12/31/2017 | Redacted | 17,252 |
| | | | | |

| Network Improvements/Upgrades – Voice Services – For Calendar Year 2018 | | | | |
|---|----------------------|---------------------------|-------------------|----------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2018 | 12/31/2018 | Redacted | 17,252 |
| Redacted | 01/01/2018 | 12/31/2018 | Redacted | 15,938 |
| Redacted | 01/01/2018 | 06/30/2018 | Redacted | 15,938 |
| Redacted | 01/01/2018 | 12/31/2018 | Redacted | 17,252 |
| | | | | |

| Network Improvements/Upgrades – Voice Services – For Calendar Year 2019 | | | | |
|---|----------------------|---------------------------|-------------------|----------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2019 | 12/31/2019 | Redacted | 17,252 |
| Redacted | 01/01/2019 | 12/31/2019 | Redacted | 15,938 |

Redacted – For Public Inspection

| | | | | |
|----------|------------|------------|----------|--------|
| Redacted | 01/01/2019 | 12/31/2019 | Redacted | 15,938 |
| Redacted | 01/01/2019 | 12/31/2019 | Redacted | 17,252 |
| | | | | |

**WHIDBEY TELEPHONE COMPANY – 5-YEAR SERVICE QUALITY IMPROVEMENT PLAN
PURSUANT TO 47 C.F.R. 54.202(a)**

| Network Improvements/Upgrades – Broadband Services – For Calendar Year 2014 | | | | |
|---|-------------------------|---------------------------------|-------------------|-------------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 3,076 |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 17,252 |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 15,938 |
| Redacted | 01/01/2014 | 06/30/2014 | Redacted | 15,938 |
| Redacted | 01/01/2014 | 12/31/2014 | Redacted | 17,252 |

| Network Improvements/Upgrades – Broadband Services – For Calendar Year 2015 | | | | |
|---|-------------------------|---------------------------------|-------------------|-------------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 1,578 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 15,938 |
| Redacted | 01/01/2015 | 06/30/2015 | Redacted | 15,938 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |
| Redacted | 01/01/2015 | 12/31/2015 | Redacted | 17,252 |

| Network Improvements/Upgrades – Broadband Services – For Calendar Year 2016 | | | | |
|---|-------------------------|---------------------------------|-------------------|-------------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2016 | 06/30/2016 | Redacted | 658 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |

Redacted – For Public Inspection

| | | | | |
|----------|------------|------------|----------|--------|
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 15,938 |
| Redacted | 01/01/2016 | 06/30/2016 | Redacted | 15,938 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |
| Redacted | 01/01/2016 | 12/31/2016 | Redacted | 17,252 |

**WHIDBEY TELEPHONE COMPANY – 5-YEAR SERVICE QUALITY IMPROVEMENT PLAN
PURSUANT TO 47 C.F.R. 54.202(a)**

| Network Improvements/Upgrades – Broadband Services – For Calendar Year 2017 | | | | |
|--|---------------------------------|--|--------------------------|---------------------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2017 | 12/31/2017 | Redacted | 15,938 |
| Redacted | 01/01/2017 | 06/30/2017 | Redacted | 15,938 |
| Redacted | 01/01/2017 | 12/31/2017 | Redacted | 17,252 |
| | | | | |
| | | | | |

| Network Improvements/Upgrades – Broadband Services – For Calendar Year 2018 | | | | |
|--|---------------------------------|--|--------------------------|---------------------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2018 | 12/31/2018 | Redacted | 15,938 |
| Redacted | 01/01/2018 | 06/30/2018 | Redacted | 15,938 |
| Redacted | 01/01/2018 | 12/31/2018 | Redacted | 17,252 |
| | | | | |
| | | | | |

Redacted – For Public Inspection

| Network Improvements/Upgrades – Broadband Services – For Calendar Year 2019 | | | | |
|---|-------------------------|---------------------------------|-------------------|-------------------------|
| Project Description (Specific proposed improvements and/or upgrades) | Estimated Start Date | Estimated Completion Date | Service Area Name | Estimated Population |
| Redacted | 01/01/2019 | 12/31/2019 | Redacted | 15,938 |
| Redacted | 01/01/2019 | 12/31/2019 | Redacted | 15,938 |
| Redacted | 01/01/2019 | 12/31/2019 | Redacted | 17,252 |
| | | | | |
| | | | | |

Whidbey Telephone Company
FCC Form 481 (July, 2014), Line 510
Description of Processes and Procedures to Ensure
Compliance with Service Quality Standards and
Consumer Protection Rules Per Instructions
For Completing FCC Form 481 – Voice Services

This document details the processes and procedures that Whidbey Telephone Company (the "Company") follows to ensure compliance with service quality standards and consumer protections rules as set forth in the Instructions for Completing FCC Form 481.

For service quality standards that are affected by plant issues, the Company engineers and installs its plant and other facilities in such a way as to ensure, to the greatest extent possible, compliance with service quality standards that exist at the time that the plant and facilities are constructed. Plant is augmented, upgraded and/or reconfigured as needed.

In addition, Company employees are periodically briefed on issues involving service quality standards and consumer protection rules such as CPNI rules and regulations and the Red Flags Rule. In particular, if any set of issues appear to be prevalent, employees are given briefings on how to handle such issues. An example of such an issue is the call completion problems that have arisen and the customer calls that are generated as a result. Although this is not a service quality problem caused by the Company, it does affect customers of the Company and, therefore, deserves the attention of the Company employees.

The Company also periodically reviews its operating procedures to be sure that those operating procedures are in compliance with service quality standards and are not in violation of consumer protection rules. If questions arise, legal counsel is sought as needed.

If a complaint pertaining to the Company's compliance with service quality standards or consumer protection rules is received by the Company, the complaint is promptly investigated, the matter tracked and any corrective action noted. This process ensures that issues involved in the matter are addressed and corrections made, if needed.

522452/va/510.pdf

Whidbey Telephone Company
FCC Form 481 (July, 2014), Line 510
Description of Processes and Procedures to Ensure
Compliance with Service Quality Standards and
Consumer Protection Rules Per Instructions
For Completing FCC Form 481 – Broadband Services

This document details the processes and procedures that Whidbey Telephone Company (the “Company”) follows to ensure compliance with service quality standards and consumer protections rules as set forth in the Instructions for Completing FCC Form 481.

For service quality standards that are affected by plant issues, the Company engineers and installs its plant and other facilities in such a way as to ensure, to the greatest extent possible, compliance with service quality standards that exist at the time that the plant and facilities are constructed. Plant is augmented, upgraded and/or reconfigured as needed.

In addition, Company employees are periodically briefed on issues involving service quality standards and consumer protection rules such as CPNI rules and regulations and the Red Flags Rule. In particular, if any set of issues appear to be prevalent, employees are given briefings on how to handle such issues.

The Company also periodically reviews its operating procedures to be sure that those operating procedures are in compliance with service quality standards and are not in violation of consumer protection rules. If questions arise, legal counsel is sought as needed.

If a complaint pertaining to the Company’s compliance with service quality standards or consumer protection rules is received by the Company, the complaint is promptly investigated, the matter tracked and any corrective action noted. This process ensures that issues involved in the matter are addressed and corrections made, if needed.

522452/awa/510.pdf

Whidbey Telephone Company
FCC Form 481 (July, 2014), Line 610
Statement Describing Ability to Function in Emergency Situations
Per Instructions for Completing FCC Form 481 – Voice Services

SUMMARY

Whidbey Telephone Company (the "Company") has a long-standing tradition of providing reliable voice telephony services. Since 1961, it has been and continues to be the Company's policy to bury all local distribution cable and wire. It is also the Company's policy and standard operating procedure to install, and use when necessary, back-up power systems at all network node installation sites. In regard to the Company's overall network design, the Company's practices are consistent with Rural Utility Service ("RUS") telecommunications industry best practices.

The Company operates and maintains transport transmission equipment of only the highest grade. Equipment specifications, which are consistent with the RUS specifications, require both redundant power and redundant circuit interfaces. All of the Company's transport and switching equipment is monitored 7x24x365(366) by trained staff located at the Company's network operations center.

NETWORK REDUNDANCY

The Company is a provider of voice telephony services to two geographically non-contiguous exchanges: the South Whidbey Exchange and the Point Roberts Exchange. The area of the Company's South Whidbey Exchange service area is more than 67 square miles, and the Company's Point Roberts Exchange service area includes approximately 6 square miles.

The Company operates two central office switches (each a "CO"): an access tandem and host switch at South Whidbey and a remote switch at Point Roberts. These switches are manufactured and supported by their manufacturer. The Point Roberts CO is connected to the Company's South Whidbey CO via multiple diversely routed redundant facilities and is configured to maintain service in the event of a facility failure to the South Whidbey CO. The primary paths consist of a diversely routed optical fiber ring utilizing Synchronous Optical Network ("SONET") technology. In addition the Company operates two diversely routed microwave transmission paths between South Whidbey and Point Roberts each of which provides multiple DS-3s capacity and which offer additional back-up capability.

The Company's voice telephony network has diversely routed paths to multiple points of interconnection with the networks of other voice telephony carriers. The Company also operates a Multiprotocol Label Switching ("MPLS") optical ring that connects its South Whidbey network with collocation facilities utilized by the Company outside its service area. The combination of the optical ring architecture and the DWDM capability of the Company's core transport equipment provides a highly reliable circuit network for voice telephony communications with substantial opportunity for augmentation, if demand volumes were to so require.

522452/wa/610.pdf

The Company's presence in collocation facilities allows for multiple points of interconnection with both local and regional carriers, giving the Company the flexibility to route traffic to multiple carriers. During service impairment created by physical damage or extraordinarily high traffic, the Company has the capability to reroute voice telephony traffic through any of those collocation facilities.

The network architecture within the Company's South Whidbey service area is comprised of a host CO and a number of core aggregation points, or Optical Remote Sites ("ORSs"). All of the ORS locations are connected by a physically diverse optical DWDM ring, with any of those locations being capable of maintaining service in the event of a failure of that physical fiber cable.

Connectivity to the end-user customer base is accomplished by the placement of a number of Broadband Loop Carrier remote terminals ("BLCs") that subtend the ORSs or host CO. Each of these BLCs has optical diversity between the main CO and serving ORS. Some of the BLCs also have physical route diversity connected to the CO or ORS that they subtend.

The Company's employees are trained to operate, maintain and/or repair the Company's network facilities. Qualified Company personnel are available for call-out 24x7x365(366) in the event of a service outage. The Company maintains an inventory of critical spare electronic/optronic cards, as well as cabinets, cable and other related materials necessary for restoration on site at both South Whidbey and Point Roberts.

BACK-UP POWER

The Company maintains a power plant at each CO, ORS, BLC and microwave site with batteries capable of carrying the power load for several hours with the load typically transitioning more immediately to a generator back-up power generation.

In addition, the Company has installed back-up power generation at its COs, as well as at each of its ORSs, BLCs, and microwave installations. These generators range in size from 750kw to 5kw. Each generator has a dedicated fuel tank onsite designed to carry the power load for multiple days. All of these sites are equipped with automatic transfer switches and have monitoring equipment that provides monitoring visibility with respect to loss of external commercial power and transfer switch status. Upon recognition of loss of the commercial power source, the relevant automatic transfer switch is designed to automatically start the back-up generator and transfer the selected power source. Alarm messages are automatically reported to key personnel, as well as to the Company's 7x24x365(366) network operations center.

The Company has in-house staff trained to perform all maintenance of the power plant and has contract services available for support. Power distribution equipment within the Company's COs is inspected from time to time by vendor representatives to ensure proper maintenance. It is the Company's policy that all power plant maintenance be recorded and stored for future reference.

522452/vw/610.pdf

Whidbey Telephone Company
FCC Form 481 (July, 2014), Line 610
Statement Describing Ability to Function in Emergency Situations
Per Instructions for Completing FCC Form 481 – Broadband Services

SUMMARY

Whidbey Telephone Company (the "Company") has a long-standing tradition of providing reliable voice telephony services. Since 1961, it has been and continues to be the Company's policy to bury all local distribution cable and wire. It is also the Company's policy and standard operating procedure to install, and use when necessary, back-up power systems at all network node installation sites. In regard to the Company's overall network design, the Company's practices are consistent with Rural Utility Service ("RUS") telecommunications industry best practices.

The Company operates and maintains transport transmission equipment of only the highest grade. Equipment specifications, which are consistent with the RUS specifications, require both redundant power and redundant circuit interfaces. All of the Company's transport and switching equipment is monitored 7x24x365(366) by trained staff located at the Company's network operations center.

NETWORK REDUNDANCY

The Company is a provider of voice telephony services to two geographically non-contiguous exchanges: the South Whidbey Exchange and the Point Roberts Exchange. The area of the Company's South Whidbey Exchange service area is more than 67 square miles, and the Company's Point Roberts Exchange service area includes approximately 6 square miles.

The Company operates two central office switches (each a "CO"): an access tandem and host switch at South Whidbey and a remote switch at Point Roberts. These switches are manufactured and supported by their manufacturer. The Point Roberts CO is connected to the Company's South Whidbey CO via multiple diversely routed redundant facilities and is configured to maintain service in the event of a facility failure to the South Whidbey CO. The primary paths consist of a diversely routed optical fiber ring utilizing Synchronous Optical Network ("SONET") technology. In addition the Company operates two diversely routed microwave transmission paths between South Whidbey and Point Roberts each of which provides multiple DS-3s capacity and which offer additional back-up capability.

The Company's voice telephony network has diversely routed paths to multiple points of interconnection with the networks of other voice telephony carriers. The Company also operates a Multiprotocol Label Switching ("MPLS") optical ring that connects its South Whidbey network with collocation facilities utilized by the Company outside its service area. The combination of the optical ring architecture and the DWDM capability of the Company's core transport equipment provides a highly reliable circuit network for voice telephony communications with substantial opportunity for augmentation, if demand volumes were to so require.

522452/ava/610.pdf

The Company's presence in collocation facilities allows for multiple points of interconnection with both local and regional carriers, giving the Company the flexibility to route traffic to multiple carriers. During service impairment created by physical damage or extraordinarily high traffic, the Company has the capability to reroute voice telephony traffic through any of those collocation facilities.

The network architecture within the Company's South Whidbey service area is comprised of a host CO and a number of core aggregation points, or Optical Remote Sites ("ORSs"). All of the ORS locations are connected by a physically diverse optical DWDM ring, with any of those locations being capable of maintaining service in the event of a failure of that physical fiber cable.

Connectivity to the end-user customer base is accomplished by the placement of a number of Broadband Loop Carrier remote terminals ("BLCs") that subtend the ORSs or host CO. Each of these BLCs has optical diversity between the main CO and serving ORS. Some of the BLCs also have physical route diversity connected to the CO or ORS that they subtend.

The Company's employees are trained to operate, maintain and/or repair the Company's network facilities. Qualified Company personnel are available for call-out 24x7x365(366) in the event of a service outage. The Company maintains an inventory of critical spare electronic/optronic cards, as well as cabinets, cable and other related materials necessary for restoration on site at both South Whidbey and Point Roberts.

BACK-UP POWER

The Company maintains a power plant at each CO, ORS, BLC and microwave site with batteries capable of carrying the power load for several hours with the load typically transitioning more immediately to a generator back-up power generation.

In addition, the Company has installed back-up power generation at its COs, as well as at each of its ORSs, BLCs, and microwave installations. These generators range in size from 750kw to 5kw. Each generator has a dedicated fuel tank onsite designed to carry the power load for multiple days. All of these sites are equipped with automatic transfer switches and have monitoring equipment that provides monitoring visibility with respect to loss of external commercial power and transfer switch status. Upon recognition of loss of the commercial power source, the relevant automatic transfer switch is designed to automatically start the back-up generator and transfer the selected power source. Alarm messages are automatically reported to key personnel, as well as to the Company's 7x24x365(366) network operations center.

The Company has in-house staff trained to perform all maintenance of the power plant and has contract services available for support. Power distribution equipment within the Company's COs is inspected from time to time by vendor representatives to ensure proper maintenance. It is the Company's policy that all power plant maintenance be recorded and stored for future reference.

522452/wa/610.pdf

(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 | 522452 |
| <015> | Study Area Name | WHIDBEY TEL CO. |
| <020> | Program Year | 2015 |
| <030> | Contact Name - Person USAC should contact regarding this data | Trieh Mason |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 3603210013 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | trieh.mason@whidbeytel.com |
| <810> | Reporting Carrier | Whidbey Telephone Company |
| <811> | Holding Company | |
| <812> | Operating Company | Whidbey Telephone Company |

| <813> | <a1> | <a2> | <a3> |
|-------|----------------------------------|--------|--|
| | Affiliates | SAC | Doing Business As Company or Brand Designation |
| | 2012 George T.F. Henny Trust | 522452 | Whidbey Telephone Company |
| | 2012 George T.F. Henny Trust | 522452 | Whidbey Telecom |
| | 2012 George T.F. Henny Trust | 522452 | WhidbeyTV |
| | 2012 George T.F. Henny Trust | 522452 | Bayview Storage |
| | 2012 George T.F. Henny Trust | 522452 | Whidbey Telecom Internet & Broadband |
| | 2012 George T.F. Henny Trust | 522452 | WiFire |
| | 2012 Julia Henny DeMartini Trust | 522452 | Whidbey Telephone Company |
| | 2012 Julia Henny DeMartini Trust | 522452 | Whidbey Telecom |
| | 2012 Julia Henny DeMartini Trust | 522452 | WhidbeyTV |
| | 2012 Julia Henny DeMartini Trust | 522452 | Bayview Storage |
| | 2012 Julia Henny DeMartini Trust | 522452 | Whidbey Telecom Internet & Broadband |
| | 2012 Julia Henny DeMartini Trust | 522452 | WiFire |
| | 2012 Mark P. Henny Trust | 522452 | Whidbey Telephone Company |
| | 2012 Mark P. Henny Trust | 522452 | Whidbey Telecom |
| | 2012 Mark P. Henny Trust | 522452 | WhidbeyTV |
| | 2012 Mark P. Henny Trust | 522452 | Bayview Storage |
| | 2012 Mark P. Henny Trust | 522452 | Whidbey Telecom Internet & Broadband |
| | 2012 Mark P. Henny Trust | 522452 | WiFire |
| | Western Long Distance, Inc. | 522452 | Western Long Distance |
| | Western Long Distance, Inc. | 522452 | Whidbey Telecom Long Distance |
| | Western Long Distance, Inc. | 522452 | Point Roberts Long Distance |
| | Western Long Distance, Inc. | 522452 | Hat Island Long Distance |
| | Watercrest, Inc. | 522452 | Watercrest, Inc. |

| | |
|--|---------------------------|
| (3005a) Operating Report for Privately-Held Rate of Return Carriers | FCC Form 481 |
| Balance Sheet - Data Collection Form | OMB Control No. 3060-0988 |
| | OMB Control No. 3060-0819 |
| Page 1 of 3 | July 2013 |

<010: Study Area Code 522452

<015: Study Area Name WHIDBEY TEL CO.

<020: Program Year 2015

<030: Contact Name - Person USAC should contact regarding this data Trish Mason

<035: Contact Telephone Number - Number of person identified in data line <030> 3603210013

<039: Contact Email Address - Email Address of person identified in data line <030> trish.mason@whidbeytel.com

| | |
|---|---|
| Filed as reviewed single company <input type="checkbox"/> Filed as reviewed consolidated company <input type="checkbox"/> Filed as subsidiary of reviewed consolidated company <input type="checkbox"/> | Filed as audited single company <input checked="" type="checkbox"/> Filed as audited consolidated company <input type="checkbox"/> Filed as subsidiary of audited consolidated company <input type="checkbox"/> |
|---|---|

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.

Trish Mason 7/16/14
 Signature Dyle

| 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 | Redacted | Redacted | 25. Accounts Payable | Redacted | Redacted |
| 2. Cash-RUS Construction Fund | Redacted | Redacted | 26. Notes Payable | Redacted | Redacted |
| 3. Affiliates: | | | 27. Advance Billings and Payments | Redacted | Redacted |
| a. Telecom, Accounts Receivable | Redacted | Redacted | 28. Customer Deposits | Redacted | Redacted |
| b. Other Accounts Receivable | Redacted | Redacted | 29. Current Mat. L/T Debt | Redacted | Redacted |
| c. Notes Receivable | Redacted | Redacted | 30. Current Mat. L/T Debt-Rur. Dev. | Redacted | Redacted |
| 4. Non-Affiliates: | | | 31. Current Mat.-Capital Leases | Redacted | Redacted |
| a. Telecom, Accounts Receivable | Redacted | Redacted | 32. Income Taxes Accrued | Redacted | Redacted |
| b. Other Accounts Receivable | Redacted | Redacted | 33. Other Taxes Accrued | Redacted | Redacted |
| c. Notes Receivable | Redacted | Redacted | 34. Other Current Liabilities | Redacted | Redacted |
| 5. Interest and Dividends Receivable | Redacted | Redacted | 35. Total Current Liabilities (25 thru 34) | Redacted | Redacted |
| 6. Material-Regulated | Redacted | Redacted | LONG-TERM DEBT | | |
| 7. Material-Nonregulated | Redacted | Redacted | 36. Funded Debt-RUS Notes | Redacted | Redacted |
| 8. Prepayments | Redacted | Redacted | 37. Funded Debt-RTB Notes | Redacted | Redacted |
| 9. Other Current Assets | Redacted | Redacted | 38. Funded Debt-FFB Notes | Redacted | Redacted |
| 0. Total Current Assets (1 Thru 9) | Redacted | Redacted | 39. Funded Debt-Other | Redacted | Redacted |
| | | | 40. Funded Debt-Rural Develop. Loan | Redacted | Redacted |
| NONCURRENT ASSETS | | | 41. Premium (Discount) on L/T Debt | Redacted | Redacted |
| 1. Investment in Affiliated Companies | Redacted | Redacted | 42. Recquired Debt | Redacted | Redacted |
| a. Rural Development | Redacted | Redacted | 43. Obligations Under Capital Lease | Redacted | Redacted |
| b. Nonrural Development | Redacted | Redacted | 44. Adv. From Affiliated Companies | Redacted | Redacted |
| 2. Other Investments | Redacted | Redacted | 45. Other Long-Term Debt | Redacted | Redacted |
| a. Rural Development | Redacted | Redacted | 46. Total Long-Term Debt (36 thru 45) | Redacted | Redacted |
| b. Nonrural Development | Redacted | Redacted | OTHER LIAB. & DEF. CREDITS | | |
| 3. Nonregulated Investments | Redacted | Redacted | 47. Other Long-Term Liabilities | Redacted | Redacted |
| 4. Other Noncurrent Assets | Redacted | Redacted | 48. Other Deferred Credits | Redacted | Redacted |
| 5. Deferred Charges | Redacted | Redacted | 49. Other Jurisdictional Differences | Redacted | Redacted |
| 6. Jurisdictional Differences | Redacted | Redacted | 50. Total Other Liabilities and Deferred Credits (47 thru 49) | Redacted | Redacted |
| 7. Total Noncurrent Assets (11 thru 16) | Redacted | Redacted | EQUITY | | |
| | | | 51. Cap. Stock Outstanding & Subscribed | Redacted | Redacted |
| PLANT, PROPERTY, AND EQUIPMENT | | | 52. Additional Paid-In-Capital | Redacted | Redacted |
| 8. Telecom, Plant-In-Service | Redacted | Redacted | 53. Treasury Stock | Redacted | Redacted |
| 9. Property Held for Future Use | Redacted | Redacted | 54. Membership and Cap. Certificates | Redacted | Redacted |
| 0. Plant Under Construction | Redacted | Redacted | 55. Other Capital | Redacted | Redacted |
| 1. Plant Adj., Nonop. Plant & Goodwill | Redacted | Redacted | 56. Patronage Capital Credits | Redacted | Redacted |
| 2. Less Accumulated Depreciation | Redacted | Redacted | 57. Retained Earnings or Margins | Redacted | Redacted |
| 3. Net Plant (18 thru 21 less 22) | Redacted | Redacted | 58. Total Equity (51 thru 57) | Redacted | Redacted |
| 4. TOTAL ASSETS (10+17+23) | Redacted | Redacted | 59. TOTAL LIABILITIES AND EQUITY (35+46+50+58) | Redacted | Redacted |

| | |
|--|---|
| (3005b) Operating Report for Privately-Held Rate of Return Carriers Income Statement - Data Collection Form | FCC Form 481 OMB Control No. 3060-0986 OMB Control No. 3060-0819 July 2013 |
| Page 2 of 3 | |

| | |
|---|-----------------------|
| <010> Study Area Code | 522452 |
| <015> Study Area Name | WHIDBEY TEL CO. |
| <020> Program Year | 2015 |
| <030> Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 3603210013 |
| <039> Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeyvt |

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

| | |
|---|---|
| (3005c) Operating Report for Privately-Held Rate of Return Carriers Cash Flow - Data Collection Form Page 3 of 3 | FCC Form 481 OMB Control No. 3060-0986 OMB Control No. 3060-0819 July 2013 |
|---|---|

| | |
|---|----------------------|
| <010> Study Area Code | 522452 |
| <015> Study Area Name | WHIDBEY TEL CO. |
| <020> Program Year | 2015 |
| <030> Contact Name - Person USAC should contact regarding this data | Trish Mason |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 3603210013 |
| <039> Contact Email Address - Email Address of person identified in data line <030> | trish.mason@whidbeyt |

| PART C. STATEMENTS OF CASH FLOWS | | |
|--|--|----------|
| 1. | Beginning Cash (Cash and Equivalents plus RUS Construction Fund) | Redacted |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| 2. | Net Income | Redacted |
| Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities | | |
| 3. | Add: Depreciation | Redacted |
| 4. | Add: Amortization | Redacted |
| 5. | Other (Explain) Partnership Distribution, Realized Gain-Sale of Investment, Non Cash Operating Income | Redacted |
| Changes in Operating Assets and Liabilities | | |
| 6. | Decrease/(Increase) in Accounts Receivable | Redacted |
| 7. | Decrease/(Increase) in Materials and Inventory | Redacted |
| 8. | Decrease/(Increase) in Prepayments and Deferred Charges | Redacted |
| 9. | Decrease/(Increase) in Other Current Assets | Redacted |
| 10. | Increase/(Decrease) in Accounts Payable | Redacted |
| 11. | Increase/(Decrease) in Advance Billings & Payments | Redacted |
| 12. | Increase/(Decrease) in Other Current Liabilities | Redacted |
| 13. | Net Cash Provided/(Used) by Operations | Redacted |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| 14. | Decrease/(Increase) in Notes Receivable | Redacted |
| 15. | Increase/(Decrease) in Notes Payable | Redacted |
| 16. | Increase/(Decrease) in Customer Deposits | Redacted |
| 17. | Net Increase/(Decrease) in Long Term Debt (Including Current Maturities) | Redacted |
| 18. | Increase/(Decrease) in Other Liabilities & Deferred Credits | Redacted |
| 19. | Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital | Redacted |
| 20. | Less: Payment of Dividends | Redacted |
| 21. | Less: Patronage Capital Credits Retired | Redacted |
| 22. | Other (Explain) | Redacted |
| 23. | Net Cash Provided/(Used) by Financing Activities | Redacted |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| 24. | Net Capital Expenditures (Property, Plant & Equipment) | Redacted |
| 25. | Other Long-Term Investments | Redacted |
| 26. | Other Noncurrent Assets & Jurisdictional Differences | Redacted |
| 27. | Other (Explain) Partnership Capital Distribution, Loans/Advances to Affiliates | Redacted |
| 28. | Net Cash Provided/(Used) by Investing Activities | Redacted |
| 29. | Net Increase/(Decrease) in Cash | Redacted |
| 30. | Ending Cash | Redacted |