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 Austin, TX 78731-4280
 Phone: 512.343.2544
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REDACTED – FOR PUBLIC INSPECTION

VIA OVERNIGHT DELIVERY

June 30, 2014

Received & Inspected

JUL 01 2014

FCC Mail Room

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

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

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

Confidential Financial Information – Subject to Protective Order in WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, Conneaut Telephone Company (the Company), Study Area Code 300606, is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket Nos. 10-90 and 11-42. The Company, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan is being made pursuant to section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's November 16, 2012 *Protective Order* in WC Docket No. 10-90 *et al.* These attachments contain competitively sensitive data that Conneaut Telephone Company maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Company.

No. of Copies rec'd 0 + 1
 List ABCDE

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Five-Year Service Quality Improvement Plan

Pursuant to section 0.459 of the Commission's rules and Exemption 4 of FOIA, Conneaut Telephone Company requests that the text and data extracted from its five-year service quality improvement plan be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Company keeps confidential. Public availability of this information would have a substantial negative impact on the Company.

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

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

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

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

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

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

The five-year service quality improvement plan contains granular information on the Company's access line counts and existing broadband capabilities as well as detailed plans for financial investments in its network through 2019 to improve service to subscribers. This is closely guarded, privileged information that the Company does not make publicly available.

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

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

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

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

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

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

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

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

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

The Company requests that the extracted information be withheld from public inspection indefinitely. Although the information reflects the Company's service improvement plans for a five year period, it would provide a very useful baseline for competitors for several years beyond that period.

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

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

Financial Annual Report

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

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



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

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

Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

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

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

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

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

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Lynette Hampton". The signature is written in a cursive style with a large initial "L".

Lynette Hampton
Authorized Representative for
Conneaut Telephone Company

LH/pjf

Enclosures

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

Mr. Ken Johnson, Conneaut Telephone Company

<010> Study Area Code	300606
<015> Study Area Name	CONNEAUT TEL CO
<020> Program Year	2015
<030> Contact Name: Person USAC should contact with questions about this data	Deanna Brown
<035> Contact Telephone Number: Number of the person identified in data line <030>	4405937138 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	dbrown@suite224.net

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<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	<input type="text" value="0.8"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420> Mobile	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<440> Fixed	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<450> Mobile	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> <div style="border: 1px solid black; padding: 2px;">300606oh510.pdf</div>	(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> <div style="border: 1px solid black; padding: 2px;">300606oh610.pdf</div>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1010> <div style="border: 1px solid black; padding: 2px;">300606oh1010.pdf</div>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

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

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

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

**(100) Service Quality Improvement Reporting
Data Collection Form**

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

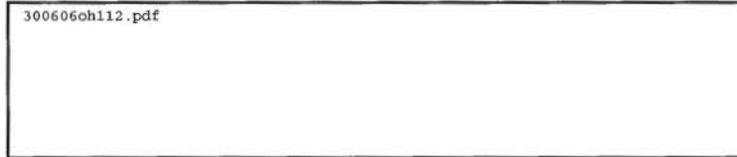
<010> Study Area Code	300606
<015> Study Area Name	CONNEAUT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Deanna Brown
<035> Contact Telephone Number - Number of person identified in data line <030>	4405937138 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

<110> Has your company received its ETC certification from the FCC? (yes / no)

If your answer to Line <110> is yes, do you have an existing §54.202(a) "5
<111> year plan" filed with the FCC? (yes / no)

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

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



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.



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<015> Study Area Name	CONNEAUT TRL CO
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<039> Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and development in accordance with a local or tribal code or 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)



<010>	Study Area Code	300606
<015>	Study Area Name	CONNELT TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Deanna Brown
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<039>	Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

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

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



<010> Study Area Code	300606
<015> Study Area Name	CONNEAUT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Deanna Brown
<035> Contact Telephone Number - Number of person identified in data line <030>	4405937138 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

300606oh1210.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP

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

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



<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Deanna Brown
<035>	Contact Telephone Number - Number of person identified in data line <030>	4405937138 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

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

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification (47 CFR § 54.313(b)(1))
- <2011> 3rd Year Certification (47 CFR § 54.313(b)(2))

Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))

- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification

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

- <2016> Certification Support Used to Build Broadband

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

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

- <2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information



<010> Study Area Code	300606
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<020> Program Year	2015
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<039> Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

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

Name of Attached Document Listing Required Information

(3011) Please check this box to certify that the attached document is the required information at the carrier's office to which the carrier shall provide the service addresses of the carrier's anchor institutions to which the carrier provides access to broadband service in the preceding calendar year.

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

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) Yes No
 (3014) If yes, does your company file the RUS annual report (Yes/No) Yes No

Please check these boxes to certify that the attached document is the required information at the carrier's office to which the carrier provides access to broadband service in the preceding calendar year.

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

(3016) Document or Database Sheet of State and State's 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 Borrowers,

(3020) Document or Database Sheet of State and State's 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 or Database Sheet of State and State's cash flows

(3026) Attach the worksheet listing required information

300606b3026.pdf

Name of Attached Document Listing Required Information



<010> Study Area Code	300606
<015> Study Area Name	CONNEAUT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Deanna Brown
<035> Contact Telephone Number - Number of person identified in data line <030>	4405937138 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

<010> Study Area Code	300606
<015> Study Area Name	CONNBAUT TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Deanna Brown
<035> Contact Telephone Number - Number of person identified in data line <030>	4405937138 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dbrown@suite224.net

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

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Lynette Hampton</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:	Lynette Hampton
Name of Reporting Carrier:	CONNBAUT TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 06/30/2014
Printed name of Authorized Officer:	Deanna Brown
Title or position of Authorized Officer:	CFO
Telephone number of Authorized Officer:	4405937138 ext.
Study Area Code of Reporting Carrier:	300606 Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	CONNBAUT TEL CO
Name of Authorized Agent or Employee of Agent:	Lynette Hampton
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 06/30/2014
Printed name of Authorized Agent or Employee of Agent:	Lynette Hampton
Title or position of Authorized Agent or Employee of Agent:	Authorized Representative
Telephone number of Authorized Agent or Employee of Agent:	5126527725 ext.
Study Area Code of Reporting Carrier:	300606 Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

FCC Five Year Service Improvement Plan

Conneaut Telephone Company

March 2014

Background—2013

In 2013, The Conneaut Telephone Company (CTC) started making investments geared toward modernizing our telephone and broadband service technologies to bring our cost study area up to par with the latest technology in our industry.

The largest investment of 2013 was our purchase of a new, IP-enabled soft-switch, which gives us the flexibility to support legacy, copper-based communications services, along with newer, IP-based communications served over fiber-optic cables.

In 2013, we also started, but have yet to finish, our migration from legacy SONET technology used to connect our network with the rest of the PSTN and used to connect our Central Office with remote switches, to newer 10 Gigabit Ethernet technology.

Work underway—2014

In 2014, CTC continued the integration and rollout of our soft-switch but then moved the focus to deploying our 10 Gigabit Ethernet network nodes throughout our study area. Each of the 10 Gigabit Ethernet ring nodes also supports Fiber-to-the-Home technology using either Active Ethernet connections or using Passive Optical Network connections. It is our intention to upgrade the nodes in 2014, and then begin an aggressive rollout of FTTH for local telephone, Broadband Internet, and Cable TV services to these customers.

Overview of Conneaut Service Areas

Conneaut Telephone Company has several remote switch locations to facilitate network management and maintenance. To understand the service improvements planned for the future, it is important to understand the various service areas. Here are the area location names:

Central Office: The CTC Central Office serves most of the incorporated areas of the City of Conneaut with traditional copper-based telephone and data services. Some fiber-optic services also originate from the Central Office. This office is located in the Conneaut Exchange.

Headend: The CTC headend overlaps much of the service area as the Central Office, with the Central Office primarily servicing customers on copper-based services, while the Headend services customers on a Hybrid-Fiber-Coaxial network. Some fiber-optic services also originate from the Headend. This office is located in the Conneaut Exchange.

West Main Remote: The West Main remote serves customers on the western edge of the City of Conneaut and provides service to a small sliver of customers in the eastern part of the Village of North Kingsville. This office is located in the Conneaut Exchange.

Furnace Rd. Remote: The Furnace Rd. remote serves customers along the extreme southeast part of the City of Conneaut. The service area is bounded by the Conneaut Creek to the south and State Route 7 on the west. This office is located in the Conneaut Exchange.

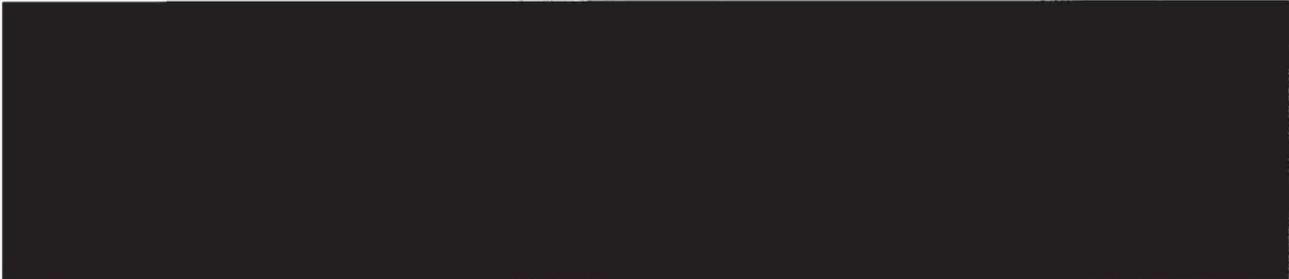
Farnham Remote: The Farnham Remote services customers in the southwestern areas of the City of Conneaut. The Farnham remote is bounded by Kingsville Township on the west, Interstate 90 on the North, and State Route 7 on the east. This office is part of the Conneaut Exchange.

Bushnell Remote: The Bushnell remote services the customers who live in the townships of Bushnell and Monroe, Ohio. The Bushnell remote is its own service exchange for telephone service and is denoted by the 440-594-xxxx prefix. The Bushnell remote extends east to west from the Pennsylvania border to Kelloggsville Township. Bushnell is bounded by the Conneaut Creek to the North and extends south to Hatches Corners Rd. This office is part of the Bushnell Exchange.

Hilddom Road Remote: The Hilddom Road Remote provides service to the customers at the most extreme southern parts of the CTC study area. It covers the area east to west from the Pennsylvania border to Kelloggsville Township. It extends from Hilddom Road on the North south to Hammonds Corners Road. This office is part of the Bushnell Exchange.

Planned Broadband Service Enhancements





Pursuant to 47 C.F.R. 54.202(a)(1)(ii), The Conneaut Telephone Company submits a five-year plan that describes with specificity proposed improvements or upgrades to its network throughout its proposed service area. Conneaut Telephone also provides estimates regarding the area and population that will be served as a result of the improvements. This plan is based on Conneaut Telephone's current business and financial conditions and is subject to change as a result of changes in those conditions.

Pursuant to 47 C.F.R. 54.313, in each subsequent year, The Conneaut Telephone Company will file a progress report on its five-year service quality improvement plan pursuant to 54.202(a), including maps detailing its progress towards meeting its plan targets, an explanation of how much universal service support was received and how it was used to improve service quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled in the prior calendar year.

As of January 1, 2014, 100% of subscribers in the Conneaut and Bushnell exchanges have access to broadband Internet service through Conneaut Telephone's fiber optic, HFC, and or copper facilities. Subscribers served by these facilities have access that meets or exceeds the 4/1 Mbps standard.



Five - Year Plan Template
The Conneaut Telephone Company
 Conneaut, Ohio, Bushnell, Ohio Exchanges

Year #	Planned Dollar Amount Capital Improvement (CAPx)	Estimated # of Square Miles Served by Capital Improvement	Estimated Population Served By Capital Improvement	Depreciation Expense Associated with Network Improvements Years 1 through 5 (Note 1)	Depreciation Expense Associated with Network Improvements for Years Prior to Year 1	On-going Maintenance/ Operating Expense
Existing Expense- Total Company	[REDACTED]					
1 01/01/2015 to 12/31/2015						
2 01/01/2016 to 12/31/2016						
3 01/01/2017 to 12/31/2017						
4 01/01/2018 to 12/31/2018						
5 01/01/2019 to 12/31/2019						



**LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION
RULES COMPLIANCE**

Conneaut Telephone Company complies with applicable service quality standards and consumer protection rules for its voice and broadband services.

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

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

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

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

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

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

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

LINE 1010 – VOICE SERVICES RATE COMPARABILITY

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

In the exchanges served by Conneaut Telephone Company, the highest single-line residential local rate, including any mandatory extended area service charge, is \$16.05. When the federal SLC and the state universal service fee are added, the total is below the reasonable comparability benchmark of \$46.96.

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

LINE 1210 – TERMS & CONDITIONS OF VOICE TELEPHONY LIFELINE PLANS

Conneaut Telephone Company (the Company) offers Lifeline subscribers discounts to the monthly residential basic local exchange service rate. The local exchange service rate includes an unlimited amount of local calling minutes. Additional charges for toll calls associated with the stand-alone residential access line are billed at the rates of the long distance carrier chosen by the subscriber. Lifeline customers may subscribe to other packages and custom calling features at the standard rates offered to all customers, in which case the Lifeline discount will apply to the portion of the package that is for basic local exchange service. The attached pages from the Company's tariff include the terms and conditions for Lifeline and the rates for local exchange service.

P.U.C.O. NO. 7

EXCHANGE RATES

The local calling area embraces all calls between stations bearing the designations of Conneaut, Kingsville and Pierpont.

The classification and rates provided in this section apply at any point within the Base Rate Area which is defined as all territory in the exchange lying north of Route Interstate 90.

	<u>Monthly Rate</u>	<u>Max. Rate</u>	<u>Anniversary Date</u>
Business – Primary Line	\$ 18.15 (I)	\$ 18.15 (I)	Aug. 1, 2012
Residence – Individual Line	\$13.05 (I)	\$ 13.05 (I)	Aug. 1, 2012
Payphone:			
Coin Operated Telephone Service Access Line.....	\$ 12.15		
Coin Supervision Additive.....	\$ 7.20		

The classifications and rates following apply at any point within Zone A which is defined as all territory in the exchange lying south of Route Interstate 90.

	<u>Monthly Rate</u>	<u>Max. Rate</u>	<u>Anniversary Date</u>
Business – Primary Line	\$ 21.15 (I)	\$ 21.15 (I)	Aug. 1, 2012
Residence – Individual Line	\$ 16.05 (I)	\$ 16.05 (I)	Aug. 1, 2012
Payphone:.....			
Coin Operated Telephone Service Access Line.....	\$ 15.15		
Coin Supervision Additive.....	\$ 7.20		

Issued: July 1, 2012

Effective: August 1, 2013

In Accordance with Case No. 90-5015-TP-TRF
 Issued by the Public Utilities Commission of Ohio
 Ken Johnson, General Manager
 Conneaut, Ohio

P.U.C.O. NO. 7

LIFELINE/LINK-UP REQUIREMENTS

A. GENERAL

1. Lifeline shall be a flat-rate, monthly, primary access line service with touch-tone service or the Company may offer any other packages/bundles of service, if available to customers, less the lifeline discount and shall provide all of the following:
 - a. A recurring discount to the monthly basic local exchange service rate that provides for the maximum contribution of federally available assistance;
 - b. Not more than once per customer at a single address in a twelve-month period, a waiver of all nonrecurring service order charges for establishing service;
 - c. Free blocking of toll service, 900 service and 976 service;
 - d. A waiver of the federal universal service fund end user charge; and
 - e. A waiver of the telephone company's service deposit requirement.

B. REGULATIONS

1. Lifeline Assistance is available to residential customers who are currently participating in one of the following federal or state low-income assistance programs that limit assistance based on household income:
 - a. Medical Assistance under Chapter 5111 of the Ohio Revised Code (Medicaid) or any state program that might supplant Medicaid;
 - b. Supplemental Nutritional Assistance Program (SNAP/Food Stamps);
 - c. Supplemental Security Income (SSI) under Title XVI of the Social Security Act;
 - d. Supplemental Security Insurance – blind and disabled (SSD)
 - e. Federal public housing assistance, or Section 8;
 - f. Home Energy Assistance Programs (HEAP, LIHEAP, E-HEAP);
 - g. National School Lunch Program's Free Lunch Program (NSL);
 - h. Temporary Assistance for Needy Families (TANF/Ohio Works); or
 - i. General Assistance (including disability assistance (DA))

Issued: May 12, 2011

Effective: May 12, 2011

In Accordance with Case No. 10-1010-TP-ORD and 11-2939-TP-ATA

Issued by the Public Utilities Commission of Ohio

Ken Johnson, General Manager

Conneaut, Ohio

LIFELINE/LINK-UP REQUIREMENTS (Continued)

B. REGULATIONS (Continued)

2. Lifeline Assistance is available to residential customers whose total household income is at or below one-hundred fifty percent (150%) of the federal poverty level.
3. The Telephone Company shall require, as proof of eligibility for Lifeline Assistance, a document signed by the customer, certifying under penalty of perjury that the customer is receiving benefits from one of the programs identified in Section B.1 above; identify the specific program or programs from which the customer receives benefits and agree to notify the carrier if the customer ceases to participate in such program or programs. If a customer is applying for Lifeline based on income, see Section B.5.a-g for examples of income documentation.
4. The Telephone Company must verify Lifeline service eligibility for customers who qualify through household income-based requirements consistent with the FCC requirements in 47 C.F.R. 54.
5. Consistent with federal law, examples of acceptable income documentation includes the following:
 - a. State or federal income tax return;
 - b. Current income statement or W-2 from an employer;
 - c. Three consecutive months of current pay stubs;
 - d. Social security statement of benefits;
 - e. Retirement/Pension statement of benefits;
 - f. Unemployment/Workmen's Compensation statement of benefits;
 - g. Any other legal document that would show current income (such as a divorce decree or child support document).
6. Customers qualifying for Lifeline with past due bills for regulated local service charges shall be offered special payment arrangements with the initial payment not to exceed \$25.00 before service is installed, with the balance for regulated local charges to be paid over six equal monthly payments. Lifeline service customers with past due bills for toll service charges shall have toll restricted service until such past due toll service charges have been paid or until the customer establishes service with a subsequent toll provider.
7. All other aspects of the state-specific lifeline service shall be consistent with the federal requirements. The rates, terms, and conditions for lifeline service shall be tariffed in accordance with Rule 4901:1-6-11.

Issued: May 12, 2011

Effective: May 12, 2011

In Accordance with Case No. 10-1010-TP-ORD and 11-2939-TP-ATA

Issued by the Public Utilities Commission of Ohio

Ken Johnson, General Manager

Conneaut, Ohio

LIFELINE/LINK-UP REQUIREMENTS (Continued)

B. REGULATIONS (Continued)

8. The Telephone Company shall provide written notification to the customer applying for Lifeline service that is determined ineligible for Lifeline service and shall provide an additional 30 days to prove eligibility.
9. The Telephone Company shall provide written customer notification if a customer's Lifeline service benefits are to be terminated due to failure to submit acceptable documentation for continued eligibility for that assistance. The lifeline customer shall have an additional sixty (60) days to submit acceptable documentation of continued eligibility or dispute the findings regarding termination of benefits.
10. The Telephone Company shall establish procedures to verify an individual's continuing Lifeline eligibility for both program and income based criteria consistent with the FCC's requirements in 47 C.F.R. 54.409-54.410.

C. ENROLLMENT PROCESS

1. Existing Customers

- a. Customers with dial tone wanting to establish lifeline service should complete and submit a Company lifeline application, and provide documentation if applicable, within 15 business days of requesting the discount.
- b. The Company will review the customer's lifeline application to determine customer's eligibility within 15 days.
- c. If the customer is eligible for the lifeline discount, the Company will credit the customer's bill retroactive to the date of customer's request for lifeline service.
- d. If the customer does not return the application with the appropriate documentation, if required, within 15 business days, the customer will need to re-apply for lifeline discounts. Should the Company determine that a customer does not qualify for lifeline assistance or if the customer submits incomplete documentation, the Company will provide written notification to the customer and give the customer an additional 30 days to prove eligibility. If after that additional 30 days the customer has failed to prove eligibility or provide the necessary documentation, the customer must re-apply for the lifeline discounts.

2. New Customers

- a. Customers applying for new service and requesting to establish lifeline service should complete and submit a Company lifeline application, and provide documentation if applicable, within 15 business days of requesting the discount. The Company will process the lifeline application without delaying the installation of new service.
- b. The Company will review the customer's lifeline application to determine the customer's eligibility within 15 days.

Issued: May 12, 2011

Effective: May 12, 2011

In Accordance with Case No. 10-1010-TP-ORD and 11-2939-TP-ATA

Issued by the Public Utilities Commission of Ohio

Ken Johnson, General Manager

Conneaut, Ohio

LIFELINE/LINK-UP REQUIREMENTS (Continued)

C. ENROLLMENT PROCESS (Continued)

2. New Customers (Continued)

- c. If the customer is eligible for the lifeline discount, the Company will credit the customer's bill for installation charges and the monthly discount retroactive to the date the customer's service is established.
- d. If the customer does not return the application with the appropriate documentation, if required, within 15 business days, the customer will need to re-apply for lifeline discounts. Should the Company determine that a customer does not qualify for lifeline assistance or if the customer submits incomplete documentation, the Company will provide written notification to the customer and give the customer an additional 30 days to prove eligibility. If after that additional 30 days the customer has failed to prove eligibility or provide the necessary documentation, the customer must re-apply for the lifeline discounts.

D. INCOME ELIGIBILITY

- 1. The Telephone Company must verify through acceptable documentation that a customer qualifies for Lifeline Assistance. Such verification must be performed within 60 days of a customer's service establishment. Examples of income documentation are identified in Section B.5.a-g.
- 2. Regardless of when the Company completes the verification process Lifeline benefits shall go back to the date the qualified customer established lifeline.
- 3. The Telephone Company shall provide written notification to customers that do not qualify for Lifeline Assistance. The notice shall give the customer an additional 30-day opportunity to prove eligibility or dispute the company's determination.
- 4. Written notification must include: 1) the earliest date termination of lifeline benefits will occur if the customer has been receiving the benefits or the last date the customer has to provide documentation to prove eligibility to receive the benefits; 2) the reason(s) for termination of lifeline benefits and any actions which the customer must take to demonstrate continued eligibility; 3) contact information for the Telephone Company; and 4) a statement explaining who customers may contact in the event of a dispute.
- 5. If a customer disagrees with a company's findings regarding eligibility for Lifeline Assistance, the customer may file an informal/formal complaint with the Public Utilities Commission of Ohio.

LIFELINE/LINK-UP REQUIREMENTS (Continued)

E. VERIFICATION FOR CONTINUED ELIGIBILITY

1. The Telephone Company must notify customers at least 60 days prior to the company's pending termination of the customer's Lifeline Assistance if the customer fails to submit acceptable documentation for continued eligibility for benefits. Such notice will be separate from the bill and will include: 1) the earliest date termination of lifeline benefits would occur; 2) the reason(s) for termination of lifeline benefits and any actions which the customer must take to demonstrate continued eligibility; 3) contact information for the telephone company and 4) a statement explaining who the customer should contact in the event of a dispute.
2. Should a customer fail to submit proper documentation within the 60 day period, the Telephone Company will terminate the customer's lifeline benefits and require the customer to re-apply.

Demarchi & Associates
Certified Public Accountants
925 Euclid Avenue - Suite 636
Cleveland, Ohio 44115-1405
Phone (216) 241-6975
Fax (216) 241-6978

June 23, 2014

Lynette Hampton
CHR Solutions, Inc.

RE: Conneaut Telephone Company 2013 Audit

Dear Lynette,

Please be aware that we are currently working on the audit of the Conneaut Telephone System. We reasonably expect to have our audit report available by July 31, 2014.

If you have any questions please do not hesitate to contact me.

Sincerely,

Robert J. Schaefer

Robert J. Schaefer, CPA

**The Conneaut Telephone Company and Subsidiary
Financial Statements (Unaudited)
For Period Ending December 31, 2013**

Summary Report

Dec 31, 2013



Net Income(Loss) for the first ten months For Period Ending December 31, 2013

Earnings Applicable to Common Stock

Dec 31, 2013

	<u>2012</u>	<u>2013</u>
Net Income (Loss)		
Amount required for dividend on Preferred Stock		
Earnings applicable to Common Stock		
Number of Shares Outstanding		
Earnings (Loss) per share		

Notes

Note 1: Report includes financial information from The Conneaut Telephone Company and it's subsidiary CableSuite 541, Inc.

Note 2: All Intercompany amounts have been eliminated from the amounts listed above.

Note 3: All intercompany amounts are eliminated in the financial statements and ratios.

Note 4: Net Income (Loss) for 2013

Net Income:

CableSuite 541
Conneaut Telephone
Conneaut Telephone-DE
Conneaut Telephone-Cellular
Conneaut Telephone- Internet
Conneaut Telephone-HFC

Net Income (Loss)
(Intercompany have not been removed)

December YTD



THE CONNEAUT TELEPHONE COMPANY
BALANCE SHEET

ASSETS

CURRENT ASSETS

CASH
MATERIAL AND SUPPLIES
OTHER CURRENT ASSETS
PREPAYMENTS

TOTAL CURRENT ASSETS

NONCURRENT ASSETS

OTHER NONCURRENT ASSETS
NONREGULATED INVESTMENTS
INTANGIBLES
DEFERRED MAINTENANCE AND RETIREMENTS

TOTAL NONCURRENT ASSETS

PROPERTY, PLANT AND EQUIPMENT

CAPITAL LEASE OBLIGATIONS
TELECOMMUNICATIONS PLANT
TELECOMMUNICATIONS PLANT-NONREG
CATV ASSETS-NONREGULATED
ACCUMULATED DEPRECIATION
ACCUMULATED DEPRECIATION-NONREG
TELEPHONE PLANT ADJUSTMENT
TELECOMMUNICATIONS PLANT CONSTR
NONOPERATING PLANT
PLANT HELD FOR FUTURE USE
TOTAL PROPERTY, PLANT AND EQUIPMENT

TOTAL ASSETS

LIABILITIES

CURRENT LIABILITIES
ACCRUED LIABILITIES
OTHER LIABILITIES/DEFERRED CREDIT
LONG TERM DEBT
LONG TERM DEBT-CAPITAL LEASE
TOTAL LIABILITIES

STOCKHOLDERS' EQUITY

CAPITAL STOCK-COMMON
SHARES 12,968
CAPITAL STOCK-PREFERRED
SHARES 4,881
PREMIUM ON CAPITAL STOCK
TREASURY STOCK (Note 1)
RETAINED EARNINGS
ACCUMULATED OTHER COMPREHENSIVE INCOME
TOTAL STOCKHOLDERS' EQUITY
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY

Dec 31, 2013				Dec 31, 2012		% Increase -Decrease Since Dec 31, 2012	Increase -Decrease Since Dec 31, 2012
PARENT CONNEAUT	SUBSIDIARY CABLESUITE 541, INC	ELIMINATIONS	*	COMBINED YTD	COMBINED LYTD		
(a)	(b)	(c)	(d)	(e)	(f)		



CONNEAUT TELEPHONE COMPANY
INCOME STATEMENT-CONSOLIDATED

PARENT	for period ending Dec 31, 2013						Dec 31, 2012		% INCREASE -DECREASE OVER Dec 31, 2012	% OF REVENUES	INCREASE -DECREASE OVER Dec 31, 2012
	DEPARTMENTS					SUBSIDIARY	COMBINED	COMBINED			
	CONNEAUT TEL	HFC	CELLULAR	DEREGULATED	INTERNET	CABLESUITE 541, INC	ELIMINATIONS	YTD			

OPERATING REVENUES

LOCAL NETWORK SERVICES
SALES
SALES RETURNS AND ALLOWANCES
NETWORK ACCESS SERVICE
LONG DISTANCE NETWORK SERVICE
MISCELLANEOUS REVENUE
RENT REVENUES FROM SUBSIDIARY
CELLULAR REVENUES
BASIC NETWORKING REVENUES
FEES FROM SUBSIDIARY
LESS: UNCOLLECTIBLE REVENUE

TOTAL OPERATING REVENUE

COST OF GOODS SOLD

OPERATING EXPENSES

PLANT SPECIFIC OPERATIONS
PLANT NONSPECIFIC OPERATIONS
CUSTOMER OPERATIONS
CORPORATE OPERATIONS
DEPRECIATION AND AMORTIZATION
AMORTIZATION OF EXTRAORDINARY RETIREMEN

TOTAL OPERATING EXPENSES

FEDERAL INCOME TAX - Est
STATE FRANCHISE TAX-Est
OTHER OPERATING TAXES - Est
DEFERRRED TAXES
AMORTIZATION ITC

TOTAL OPERATING TAXES

NET OPERATING INCOME

INTEREST INCOME
OTHER NONOPERATING INCOME

TOTAL OTHER INCOME

SPECIAL CHARGES
INTEREST ON FUNDED DEBT
INTEREST ON CAPITAL LEASE
OTHER INTEREST DEDUCTIONS CAPITAL LEASE

TOTAL FIXED CHARGES

NET INCOME BEFORE EXTRAORDINARY GAIN (LOSS)

EXTRAORDINARY GAIN (LOSS)

NET INCOME (LOSS) AFTER EXTRAORDINARY ITE

THE CONNEAUT TELEPHONE COMPANY
 STATEMENT OF RETAINED EARNINGS-CONSOLIDATED
 PERIOD ENDING Dec 31, 2013

	Dec 31, 2013	Dec 31, 2012
BALANCE AT BEGINNING OF YEAR	\$	
ADD: NET INCOME FOR THE PERIOD	\$	
PRIOR YEARS EARNINGS(LOSS) SUBSIDIARY	\$	
ADJUSTMENT PREVIOUS YEARS (DEPR OVERACCR)	\$	
INTERCOMPANY ENTRIES		
LESS: DIVIDENDS ON PREFERRED STOCK	\$	
DIVIDENDS ON COMMON STOCK	\$	
ADJUSTMENT ACCUMULATED OTHER COMPREHENSIVE	\$	
LESS: ADJUSTMENT	\$	
BALANCE AT END OF PERIOD	\$	

The Conneaut Telephone Company
 Dec 31, 2013
 Detail of Assets, Liabilities and Revenue

Assets-Parent Company		
Cash		
Cash on Hand		\$
Cash In Bank		\$
Money Market Funds		\$
Total Cash		\$
Other Current Assets: For Period Ending December 31, 2013		
Accounts Receivable-Telecommunications		\$
Accounts Receivable-Other		\$
Accounts Receivable-CATV		\$
Accounts Receivable - Interest & Dividends		\$
Special Deposits		\$
CFC Commercial Paper Investment		\$
Temporary Investments (ACCOUNT CLOSED)		\$
Total Other Current Assets		\$
Other NonCurrent Assets:		
RTFC - Unamortized Debt Expense		\$
Deferred Tax Asset		\$
RTFC - Subordinate Capital Certificate		\$
Total Other NonCurrent Assets		\$
Nonregulated Investments:		
Investment in Bright Net		\$
Investment in Subsidiary		\$
Investment in Affiliated Companies-Capital Call-Cellular		\$
Investment in Affiliated Companies-Net Income-Cellular		\$
Total Nonregulated Investment (Alltel Cellular, Bright Net, CableSuite 541)		\$
Liabilities-Parent Company		
Current Liabilities:		
Accounts Payable		\$
Current Matured Long Term Debt - RTFC		\$
Current Matured Long Term Debt - Capital Lease Vehicles		\$
Current Matured Long Term Debt-Capital Lease		\$
Advance Payments		\$
Customer Deposit-Advance Payments		\$
Other Current Liabilities - Deferred Compensation		\$
Pension		\$
Total Current Liabilities		\$

The Conneaut Telephone Company
 Dec 31, 2013
 Detail of Assets, Liabilities and Revenue

Liabilities-Parent Company Cont'd	
Accrued Liabilities:	
Federal Income Tax (Est)	\$
State Franchise Tax (Est)	\$
State CAT Tax (Est)	\$
Property Tax	\$
Real Estate Tax For Period Ending December 31, 2013	\$
City Income Tax (Est)	\$
Gross Receipts Tax (Est)	\$
Other Taxes:	
FICA	\$
Worker's Comp	\$
State Unemployment	\$
Federal Unemployment	\$
Other Accrued Taxes	\$
(Estimated accruals for:	
Public Utility Assessment	
Pitney Bowes	
Ohio Consumer Counsel)	
Accrued Interest-CAP LEASES	\$
Accrued Dividends Payable-Preferred (declared)	\$
Compensated Absences (Vacation)	\$
Payroll Accrual	\$
Total Accrued Liabilities	\$
Long Term Debt--	
RTFC	\$
Capital Leases: Vehicles, Telco Switch	\$
Vehicles-Loans	\$
Total	\$
Other Liabilities/Deferred Credits	
Unamortized Investment Tax Credit	\$
Deferred Taxes	\$
Deferred Rent Revenues	\$
Pension Liability (FASB #87)	\$
Other Post Retirement Benefits - OPEB	\$
Total Other Liabilities/Deferred Credits	\$
Revenues-Parent Company	
Miscellaneous Revenues:	
Directory Advertising	\$
Rent Revenue	\$
Billing and Collections	\$
911 Revenues	\$
US Intelco - LIDB Compensation	\$
NSF Fees	\$
TRS Assessment	\$
Ohio Surcharge	\$
INS Bonus Settlement	\$
ATT USF & CCL	\$
Total Miscellaneous Revenues	\$
Network Access Revenues	
End User ARC charge	\$
End User Subscriber Line Charge	\$
IXC Carrier Access Revenues-CABS	\$
National Exchange Carrier Association Settlements	\$
High Cost Fund Settlement	\$
Total Network Access Revenues	\$
Nonregulated Revenues - Cellular	
Terminating CAB Access Revenues	\$
Sales Commission	\$
Sales	\$
Net Income - Cellular - Estimated	\$
(Based on Alltel Cellular Estimated Quarterly Statement Ending 12/31/2013)	
Total Nonregulated Revenues - Cellular	\$

INTERCOMPANY REVENUES AND EXPENSES
Dec 31, 2013

CONNEAUT TELEPHONE COMPANY		
Revenues:		
	CATV Concession	\$
	Infrastructure Lease	\$
	Building Lease	\$
	Tower Rent	\$
	Rent Revenues From For Period Ending December 31	
	Billing and Collection	\$
	Revenue from Management Fees	\$
	Miscellaneous Revenue-CATV	
	Total Revenues	
CABLESUITE 541, INC		
Revenues:		
	Internet Facility Lease	\$
	CATV Concession	\$
	Total Revenues	
Expenses:		
	Building Rent	\$
	Tower Rent	\$
	Infrastructure Lease	\$
	Internet Maintenance	\$
	Billing & Collection	\$
	Management Fees	\$
	Colocation	\$
	Bandwidth and Colocation	\$
	Total Expenses	
Suite 224 Internet		
Revenues:		
	Internet Maintenance	\$
	Colocation	\$
	Bandwidth and Colocation	\$
	CATV Concession	\$
	Total Revenues	
Expenses:		
	Infrastructure Access	\$
	Total Expenses	
The above includes amounts booked in the current year (i.e. 2013) only.		

The Conneaut Telephone Company-Consolidated
 Book Value - Common Stock
 Shares Outstanding 11,306
 For Period Ending Dec 31, 2013

	December-13	December-12
Capital Stock		
Stockholders Equity:		
The Conneaut Telephone Company-Stockholder's Equity		
CableSuite 541, Inc-Retained Earnings (Loss)		
Total Stockholders Equity		
Less:		
Preferred Stock		
Treasury Stock		
Balance – Equity Identified with Common		
Book Value Per Share – Common Stock		

Dividends Estimated Payments-Annual

PAID THRU DEC 2011

% per year		
Amount based on book value		SHARE
% per year		
Amount based on estimated Annualized Net Income		SHARE

STATEMENTS OF CASH FLOWS

THE CONNEAUT TELEPHONE COMPANY

December 31, 2013

NET INCOME

DEPRECIATION EXPENSE

CELLULAR PARTNERSHIP NET INCOME

For Period Ending December 31, 2013

NET INCOME ADJUSTED FOR NONCASH ITEMS

CHANGES IN OPERATING ASSETS AND LIABILITIES

(INCREASE) DECREASE IN OTHER CURRENT ASSETS

(INCREASE) DECREASE IN INVENTORY

(INCREASE) DECREASE IN PREPAID EXPENSES

INCREASE (DECREASE) IN CURRENT LIABILITIES

INCREASE (DECREASE) IN ACCRUED LIABILITIES

OTHER LIABILITIES/DEFERRED CREDIT

CASH FLOW FROM OPERATING ACTIVITIES

CASH FLOW FROM INVESTING ACTIVITIES

NET CHANGE OF FIXED ASSET PURCHASES

NON-CURRENT ASSET CHANGE

RTFC PATRONAGE CAPITAL & OTHER

SALE OF ASSET PREPAYMENT

RSA#3 DISTRIBUTION

NET CAPITAL LEASE

CASH FLOW FROM INVESTING ACTIVITIES

CASH FLOW FROM FINANCING ACTIVITIES

PAYMENTS ON NOTES PAYABLE

PROCEEDS FROM CAPITAL LEASE

CASH FLOW FROM FINANCING ACTIVITIES

NET CASH INCREASE (DECREASE)

