

Via Federal Express and E-Filing

July 1, 2014

Mr. Darrell Nitschke
Director of Administration/Executive Secretary
North Dakota Public Service Commission
State Capitol
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0480



Re: FCC Form 481 – High Cost and Low-Income Annual Report for Halstad Telephone Company

Dear Mr. Nitschke:

This filing is being made to file the FCC Form 481 – High Cost and Low-Income Annual Report (FCC Form 481) for Halstad Telephone Company. This filing is made pursuant to Sections 54.313 and 54.422 of the Federal Communications Commission (FCC) Rules.

Enclosed please find eight copies of the FCC Form 481 for Halstad Telephone Company that will be filed with the FCC. A copy of the document has also been provided by email to ndpsc@nd.gov.

We request the North Dakota Public Service Commission to file the annual certification regarding high-cost and low income support with USAC and the FCC, pursuant to 47 CFR54.314 (a).

Please contact the undersigned if you need further information.

Please contact me if further information is required.

Sincerely,

A handwritten signature in black ink that reads "Tom Campbell".

Tom Campbell
Telecommunications Consultant
TCampbell@otcpas.com
651-621-8511
Enclosures
CC: All Parties of Record

<010> Study Area Code	389002
<015> Study Area Name	Halstad Telephone Company
<020> Program Year	2015
<030> Contact Name: Person USAC should contact with questions about this data	Tom Campbell
<035> Contact Telephone Number: Number of the person identified in data line <030>	6516218511 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	tcampbell@otcpas.com

ANNUAL REPORTING FOR ALL CARRIERS	54.313	54.422
	Completion Required	Completion Required

		(check box when complete)	
<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) <input style="width: 50px; text-align: center;" type="text" value="0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310>	Detail on Attempts (voice) <div style="border: 1px solid black; height: 40px; width: 100%; margin-top: 5px;"></div> (attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband) <input style="width: 50px; text-align: center;" type="text" value="0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330>	Detail on Attempts (broadband) <div style="border: 1px solid black; height: 40px; width: 100%; margin-top: 5px;"></div> (attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)		
<410>	Fixed <input style="width: 50px; text-align: center;" type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420>	Mobile <input style="width: 50px; text-align: center;" type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)		
<440>	Fixed <input style="width: 50px; text-align: center;" type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450>	Mobile <input style="width: 50px; text-align: center;" type="text" value="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>	<div style="border: 1px solid black; padding: 5px; min-height: 40px;">389002nd510.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: 5px; min-height: 40px;">389002nd610.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 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)? <input type="radio"/> <input checked="" type="radio"/> (if yes, complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<1000>	Voice Services Rate Comparability (check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010>	<div style="border: 1px solid black; padding: 5px; min-height: 40px;">389002nd1010.pdf</div> (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100>	Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/> (if not, check to indicate certification)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input 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

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

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input 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
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<010> Study Area Code	389002
<015> Study Area Name	Halstad Telephone Company
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035> Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tcampbell@otcpas.com

<110> Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111> If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

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

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

389002nd112.pdf

Name of Attached Document

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

<113> Maps detailing progress towards meeting plan targets		<input type="checkbox"/>
<114> Report how much universal service (USF) support was received		<input checked="" type="checkbox"/>
<115> How (USF) was used to improve service quality		<input checked="" type="checkbox"/>
<116> How (USF) was used to improve service coverage		<input checked="" type="checkbox"/>
<117> How (USF) was used to improve service capacity		<input checked="" type="checkbox"/>
<118> Provide an explanation of network improvement targets not met in the prior calendar year.		<input type="checkbox"/>

(900) Tribal Lands Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	389002
<015> Study Area Name	Halstad Telephone Company
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035> Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tcampbell@otcpas.com

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

<920> Tribal Government Engagement Obligation

Name of Attached Document

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

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

(1100) No Terrestrial Backhaul Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	389002
<015>	Study Area Name	Halstad Telephone Company
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035>	Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tcampbell@otcpas.com

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

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



(1200) Terms and Condition for Lifeline Customers Lifeline Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	389002
<015>	Study Area Name	Halstad Telephone Company
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035>	Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tcampbell@otcpas.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

389002nd1210 .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.

(2000) Price Cap Carrier Additional Documentation Data Collection Form <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	389002
<015>	Study Area Name	Halstad Telephone Company
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035>	Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tcampbell@otcpas.com

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

- Incremental Connect America Phase I reporting**
- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)}
- <2011> 3rd Year Certification {47 CFR § 54.313(b)(2)}

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

- Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**
- <2016> Certification Support Used to Build Broadband

- Connect America Phase II Reporting {47 CFR § 54.313(e)}**
- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

<2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

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

<010> Study Area Code	389002
<015> Study Area Name	Halstad Telephone Company
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035> Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tcampbell@tcbas.com

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

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

Name of Attached Document Listing Required Information

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

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

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) (Yes/No) Yes No

(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

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	389002
<015>	Study Area Name	Halstad Telephone Company
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035>	Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tcampbell@otcpas.com

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

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

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	389002
<015> Study Area Name	Halstad Telephone Company
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Tom Campbell
<035> Contact Telephone Number - Number of person identified in data line <030>	6516218511 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tcampbell@otcpas.com

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

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Tom Campbell</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:	Tom Campbell
Name of Reporting Carrier:	Halstad Telephone Company
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 06/27/2014
Printed name of Authorized Officer:	Thomas Maroney
Title or position of Authorized Officer:	CEO
Telephone number of Authorized Officer:	2184562125 ext.
Study Area Code of Reporting Carrier:	389002 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:	Halstad Telephone Company
Name of Authorized Agent or Employee of Agent:	Tom Campbell
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 06/27/2014
Printed name of Authorized Agent or Employee of Agent:	Tom Campbell
Title or position of Authorized Agent or Employee of Agent:	Consultant
Telephone number of Authorized Agent or Employee of Agent:	6516218511 ext.
Study Area Code of Reporting Carrier:	389002 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.	

SAC: 389002
State: ND
Halstad Telephone Company
Form 481 Line No. 112 Five Year Network Improvement Plan

Five-Year Network Improvement Plan
For Halstad Telephone Company

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

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

¹ See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*) at Para. 587; *pets. for review pending sub nom. In re: FCC 11-161*, No. 11-9900 (10th Cir. filed Dec. 8, 2011); see also *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Order, DA 12-147 (rel. Feb. 12, 2012) at Para. 5 (amending Section 54.313(a)(1) to clarify this requirement); *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Third Order on Reconsideration, FCC 12-52 (rel. May 14, 2012) at Para. 10 (changing the filing deadline for the annual reports from April 1 to July 1); *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Order, DA 13-332 (rel. Mar. 5, 2013) (“*March 5, 2013 Order*”) at Para’s. 4, 6-9.

² 47 C.F.R. § 54.202(a) (1) (ii).

SAC: 389002
State: ND
Halstad Telephone Company
Form 481 Line No. 112 Five Year Network Improvement Plan

locations in rate-of-return service territories.”³ **Halstad Telephone Company**

(“**Halstad Telephone Company**” or the “Company”) is a rate-of-return carrier ETC and hereby submits its five-year network improvement plan.

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

A. Description of the Company and its Service Area

Incorporated in 1904, Halstad Telephone Company (HTC) is a competitive local exchange carrier delivering state-of-the-art telecommunication products and services to North Dakota’s Hillsboro community. Our service plans encompass a broad range of telephone, cable television, and internet choices.

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

Halstad Telephone Company serves the combined exchange area(s) of:

Hilsboro	

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

Section 254(e) of the Communications Act of 1934, as amended requires ETCs to use Universal Service support (“USF”) “only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.”⁴ Pursuant to

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

⁴ 47 U.S.C. § 254(e).

SAC: 389002
State: ND
Halstad Telephone Company
Form 481 Line No. 112 Five Year Network Improvement Plan

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

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

⁵ 47 C.F.R. § 54.314(a).

⁶ 47 C.F.R. § 54.314(b).

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

⁸ *Id.*

⁹ *Id.* (emphasis supplied).

SAC: 389002

State: ND

Halstad Telephone Company

Form 481 Line No. 112 Five Year Network Improvement Plan

Accordingly, as a competitive the Company is not required to provide a detailed 5-year plan. The Company utilizes its frozen support to maintain the current network service quality and voice upgrades as required, including provision and maintenance of the facilities and services to which the support was intended.

SAC: 389002

State: ND

Halstad Telephone Company

Form 481 Line No. 510 Compliance with Service Quality Standards and Consumer Protection

1. Halstad Telephone Company (Company) will provide service on a timely basis to requesting customers within the Company's designated service area where the Company's network already passes the potential customers premises, and

2. The Company will provide service, within a reasonable period of time, if the potential customer is within the Company's designated service area but outside the Company's existing network coverage, if the service can be provided at reasonable cost by:
 - a. Modifying or replacing the requesting customers equipment;
 - b. Deploying a roof-mounted antenna or other equipment;
 - c. Adjusting the nearest cell tower;
 - d. Adjusting network or customer facilities;
 - e. Reselling services from another carrier's facilities to provide service; or
 - f. Employing, leasing, or constructing an additional cell site, cell extender, repeater, or other similar equipment.

3. Service Quality Standards

The Company:

- Provides voice grade access to the public switched network.
- Provides flat rated local exchange service with no addition charge to end users.
- Provides access to the emergency services provided by local government or other public safety organization, such as 911 and enhanced 911.
- Provides toll blocking and toll limitation services.
- Advertises the availability of its services and the charges using media of general distribution and on its website.
- Maintains a business office providing customers with access to a customer service representative either in person or via a local telephone call or toll-free telephone number during normal business hours.
- Directs after hour calls to the Company's help desk.
- Directs trouble reports to the on-call technician.
- Tracks all service orders to ensure they are completed in a timely manner.
- Measures its service connection and service interruption performance on a regular basis.
- Trains employees to:
 - Answer all incoming calls promptly.
 - Respond to all inquiries for information promptly and courteously.
 - Investigate thoroughly all customer complaints.
 - Be knowledgeable about products and service offerings so they can assist the customer with selecting the best service option.
- Has a process for periodic inspection, testing and preventive maintenance of its equipment to permit the rendering of safe, adequate and continuous service at all times.

SAC: 389002

State: ND

Halstad Telephone Company

Form 481 Line No. 510 Compliance with Service Quality Standards and Consumer Protection

4. Consumer Protection Rules

The Company has established operating procedures designed to facilitate compliance with applicable consumer protection rules which include compliance with the Customer Proprietary Network Information (CPNI) rules. The operating procedures include:

- Appointment of a compliance officer.
- A manual detailing the specific procedures for protecting consumer information.
- Employee training on an annual basis.
- A disciplinary process for improper use of consumer information.

SAC: 389002

State: ND

Halstad Telephone Company

Form 481 Line No. 610 Description of Functionality in Emergency Situations

Halstad Telephone Company has:

- Established reasonable provisions to meet emergencies resulting from failures of lighting or power service, sudden and prolonged increases in traffic, or from fire, storm, or acts of God including provisions for emergency power that provide:
 - A minimum of four hours of battery service in each central office.
 - A permanently installed power unit in exchanges, or
 - Mobile power units that can be delivered on short notice and which can be readily connected in offices without installed emergency power facilities.

- Informed employees as to the procedures to be followed, including reasonable rerouting of traffic around damaged facilities and the deployment of emergency power, in the event of emergency in order to prevent or mitigate interruption or impairment of telecommunications service.

SAC: 389002

State: ND

Halstad Telephone Company

Form 481 Line No. 1010 Descriptive document for Voice Services Rate Comparability

Line 1010 – Description of Voice Services Rate Comparability: Provide a detailed description of how your pricing of fixed voice services is no more than two standard deviations above the applicable national average urban rate for voice service, as published annually by the Wireline Competition Bureau, as required in 47 C.F.R. § 54.313(a)(10).

On March 20, 2014 the Wireline Competition Bureau announced results of the Urban Rate Survey for Voice Services; as part the FCC Public Notice DA 14-384. Referenced in this public notice are the results required to meet the rate comparability as noted:

“Based on the survey responses, the Bureau also calculated the reasonable comparability benchmark for voice services to be \$46.96. 9

9. Id. at 17694, para. 84.”

As required Halstad Telephone Company hereby certifies that its current fixed voice services for residential subscribers as defined in the USF/ICC Transformation Order is below \$46.96.

SAC: 389002
 State: ND
 Halstad Telephone Company
 Form 481 Line No. 1210 Lifeline Plans Terms and Conditions

Lifeline Terms and Conditions

- Halstad Telephone Company (Company) offers lifeline program-supported service to qualified low-income residential consumers for one telephone line per eligible household. The lifeline program provides discounts to eligible low-income consumers to help them establish and maintain telephone service. Lifeline assistance lowers the cost of basic, monthly local telephone service. Eligible consumers can receive \$9.25 per month in discounts. In addition, the Federal Universal Service Charge is not assessed to consumers participating in Lifeline. Toll Blocking prevents the placement of all long distance calls for which a subscriber would be charged. Toll Blocking is available to eligible consumers at no cost. Also, by choosing the option, consumers are usually not charged a deposit.

Lifeline Program Eligibility Information

Program Based Eligibility

Consumers are eligible for Lifeline if they, one of their dependents or their household participate in one of the following qualifying assistance programs:

Low Income Home Energy Assistance Program (LIHEAP)
 Federal Public Housing Assistance (Section 8)
 Supplemental Nutrition Assistance Program (SNAP)
 Medicaid
 National School Lunch Program (NSLP) and receives lunch through the program
 Supplemental Security Income (SSI)
 Temporary Assistance for Needy Families (TANF)

Lifeline applicant must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year's statement of benefits from a qualifying program; notice letter of participation in a qualifying program; program participation documents; or another official document evidencing the consumer's participation in a qualifying program.

Income Based Eligibility

In addition, consumers are eligible for Lifeline if their household income is at or below 135% of the federal poverty guidelines.

2014 Federal Poverty Guidelines – 135%

Household Size	48 Contiguous States and D.C.
1	\$ 15,755
2	21,236
3	26,717
4	32,198
5	37,679
6	43,160
7	48,641
8	54,122
For Each Additional Person, Add	5,481

Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

Lifeline Terms and Conditions (Continued)

Lifeline Program Eligibility Information (Continued)

Recertification of Lifeline Eligibility

Lifeline recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for the Lifeline program will result in termination of the Lifeline recipient's monthly Lifeline discount and de-enrollment from the Lifeline Program.

Additional Lifeline Program Information

The Lifeline program is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined, for purposes of the Lifeline Program, as an individual or group of individuals who live together at the same address and share income and expenses. Lifeline is government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

2. The Local services for (Company) that serve as its Lifeline Plans are in Compliance with the Essential telecommunications service as specified in North Dakota Chapter 49-21 4.c as follows:
 - C. Primary flat rate residence basic telephone service including the following service elements:
 - 1) Billing and collecting of the telecommunications company's charges for the service
 - 2) Primary directory listing
 - 3) Access to assistance
 - 4) Access to emergency 911 service and emergency operator assistance in the local exchange areas in which emergency 911 service is not available
 - 5) Except as provided in section 49-02-01.1, mandatory, flat-rate extended area service to designated nearby local exchange areas.
 - 6) Transmission service necessary for the connection between the end user's premises and the local exchange central office switch including a trunk connection that has inward dialing and necessary signaling service such as touchtone used by end users for service.
3. The Company is a non-incumbent local exchange carrier and it will offer a local usage plan comparable to the one offered by the incumbent exchange carrier in its designated service area.
4. The Company's flat rate plans include unlimited local exchange calling including usage to designated nearby local exchange areas. The flat rate plans do not include any toll usage. The rates for any toll usage are determined by the rate plans of the Toll Provider(s) that are selected lifeline end users.
5. The Company acknowledges that the North Dakota Public Service Commission (the Commission) may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the proposed designated service area. (If wireless carriage is involved, the Company acknowledges that the Federal Communications Commission may require the Company to provide equal access to long distance carriers in the event no other eligible telecommunications carrier is providing equal access within the designated service area.)

SAC: 389002
State: ND
Halstad Telephone Company
Form 481 Line No. 1210 Lifeline Plans Terms and Conditions

6. The Company has met and will meet the requirements of eligible telecommunications carrier advertising. This includes:
 - a. A full description of available services in the Company's Official telephone directory, including the process to be used by customers to qualify for lifeline.
 - b. Advertising of the available universal service in media of general circulation in the Company's designated service area. Availability may be advertised in newspapers, company newsletters, company or civic internet sites, bill stuffer, direct mailings, or other means intended to convey availability throughout the designated service area.

- 7 The specific Company terms and conditions for the Company's Lifeline Plans are set forth in pages included in Exhibit 1, attached.

SAC: 389002
State: ND
Halstad Telephone Company
Form 481 Line No. 1210 Lifeline Plans Terms and Conditions

LOCAL EXCHANGE SERVICE

The rates for Local Exchange Service are subject to the conditions set forth herein and the General Regulations governing provision of service. The General Regulations are set forth in Section 2 of this tariff book.

Local Exchange Service

- A. The Local Exchange Service Rates in this section are for service only and do not include any terminal equipment beyond the point of demarcation.
- B. The rates applicable to Local Exchange Services are composed of a Line Access Rate component plus (where applicable) on Extended Area Service component.
- C. All Local Exchange Services include:
 - a. A Primary directory listing
 - b. Access to Directory assistance
 - c. Access to emergency 911 service and emergency operator assistance in local exchange areas in which emergency 911 service is not available.
- D. Extended Area Service
 - 1) Establishment and discontinuance of EAS will be contingent upon Commission authorization.
 - 2) Extended Area Service rate component
 - a) EAS is a premium-type service offering by the Company to certain exchanges, under specific conditions.
 - b) The Extended Area Service rate component, where applicable, is included in the Local Exchange Service Rate.
- E. Taxes
 - 1) Applicable taxes levied by federal, state, county and local taxing authorities are in addition to the rates set forth in this Tariff. (See also General Regulations, Section 2).
- E. Fee/Surcharges
 - 1) Additional Fees as set forth in this tariff or established by the FCC may be applicable to Local Exchange Service. Those fees and the conditions for their application and collection are also applied universally to other telephone companies for all practical purposes and are not a result of a Company originated filing.

LOCAL EXCHANGE SERVICE

RATES

Exchange: Hillsboro, North Dakota

Class of Service

Monthly Rates

BUSINESS:

One Party and Coin	\$ 19.50
Trunk Hunting Rate	\$ 9.50
Coin Supervision	\$ 2.00

RESIDENCE:

One Party	\$ 14.00
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All rates are billed in advance. Payment for service is due when the statement is rendered.

Extended Area Service (EAS)

Halstad, MN
West Halstad, ND
Shelly, MN
West Shelly, MN
Hillsboro, ND, customers of Qwest

SAC: 389002
State: ND
Halstad Telephone Copany
Form 481 Line No. 3017

No Document Required for (3017)