

<010> Study Area Code	381616
<015> Study Area Name	INTER-COMMUNITY TELEPHONE COMPANY
<020> Program Year	2016
<030> Contact Name: Person USAC should contact with questions about this data	Keith Andersen
<035> Contact Telephone Number: Number of the person identified in data line <030>	7019248815 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	kander@ictc.com

<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 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%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	<input 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%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	<input type="text" value="0.0"/>	<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 checked="" type="checkbox"/>
<440> Fixed	<input type="text" value="0.0"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450> Mobile	<input 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: 2px;">381616nd510.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;">381616nd610.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"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability Certification	<input type="text" value="Yes"/> (if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010> <div style="border: 1px solid black; padding: 2px;">381616nd1010.pdf</div>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100> Certify whether terrestrial backhaul options exist (Yes or No)	<input checked="" type="radio"/> <input type="radio"/> (if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

<2000>	Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers (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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



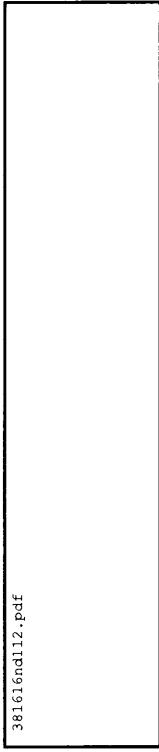
<010> Study Area Code 381616
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<110> Has your company received its ETC certification from the FCC? (yes / no)
 If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC? (yes / no)

<111> (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 select the appropriate responses below (Yes, No, Not Applicable) 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	<input type="checkbox"/>
<114> Report how much universal service (USF) support was received	<input type="checkbox"/>
<115> How much (USF) was used to improve service quality and how support was used to improve service quality	<input type="checkbox"/>
<116> How much (USF) was used to improve service coverage and how support was used to improve service coverage	<input type="checkbox"/>
<117> How much (USF) was used to improve service capacity and how support was used to improve service capacity	<input type="checkbox"/>
<118> Provide an explanation of network improvement targets not met in the prior calendar year.	<input type="checkbox"/>



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

<920> Tribal Government Engagement Obligation

Name of Attached Document

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

Select Yes or No or Not Applicable

- <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.



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<039>	Contact Email Address - Email Address of person identified in data line <030>	kander@ctcc.com

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) 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).



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<030>	Contact Name - Person USAC should contact regarding this data	Keith Andersen
<035>	Contact Telephone Number - Number of person identified in data line <030>	7019248915 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kander@iccc.com



<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP www.iccc.com/telephone-service

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

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

<010> Study Area Code
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 <039> Contact Email Address - Email Address of person identified in data line <030>

Select the appropriate responses below (Yes, No, Not Applicable) 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))
 <2011a> 3rd Year Certification (47 CFR § 54.313(b)(1)ii)
 <2011b> Attachment (47 CFR § 54.313(b)(1)iii)

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

<2012> 2013 Frozen Support Calculation (47 CFR § 54.313(c)(1))
 <2013> 2014 Frozen Support Calculation (47 CFR § 54.313(c)(2))
 <2014> 2015 Frozen Support Calculation (47 CFR § 54.313(c)(3))
 <2015> 2016 and future Frozen Support Calculation (47 CFR § 54.313(c)(4))

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(s) Listing Required Information

<010> Study Area Code 381616
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 <039> Contact Email Address - Email Address of person identified in data line <030> kander@ictc.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))
 381616nd3010.pdf
 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)(i), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))
 Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))
 (3014) If yes, does your company file the RUS annual report

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?
 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 and audit opinion 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



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Financial Data Summary	
(3027) Revenue	
(3028) Operating Expenses	
(3029) Net Income	
(3030) Telephone Plant In Service(TPIS)	
(3031) Total Assets	
(3032) Total Debt	
(3033) Total Equity	
(3034) Dividends	



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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: INTER-COMMUNITY TELEPHONE COMPANY	
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: 381616	Filing Due Date for this form: 07/01/2015
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.	

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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) _____ 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: _____	
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.	

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: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
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.	

Attachments

<010> Study Area Code 381616
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 <039> Contact Email Address - Email Address of person identified in data line <030> kander@ictc.com

<810> Reporting Carrier Inter-Community Telephone Company, LLC
 <811> Holding Company ICTC Group, Inc.
 <812> Operating Company Inter-Community Telephone Company, LLC

<813>	Affiliates	SAC	Doing Business As Company or Brand Designation
	Bretton Woods Telephone Company, Inc,	120038	Bretton Woods, World Surfer
	Upper Peninsula Telephone Company	310732	Michigan Broadband Services, UPTC, MCBC, Alphacomm.net
	Michigan Central Broadband Company	310785	Michigan Broadband Services, MCBC, Alphacomm.net
	Belmont Telephone Company	330847	Belmont, LaGrant Connections, LLC
	Cuba City Telephone Exchange Company	330872	Cuba City, LaGrant Connections, LLC
	Central Scott Telephone Company	351125	Central Scott
	CST Communications, Inc.	359032	CST Communications, iWireless
	WAPSI Wireless, LLC	359041	iWireless
	Haviland Telephone Company, Inc.	411780	Haviland, Giant Communications, Inc.
	J. B. N. Telephone Company, Inc.	411785	J.B.N., Giant Communications, Inc.
	Western New Mexico Telephone Co., Inc.	492268	WNM Communications
	Central Utah Tel Inc.	502277	CentraCom Interactive
	Skyline Telecom	502283	CentraCom Interactive
	Bear Lake Comm	503032	CentraCom Interactive
	Cal-Ore Telephone Company	542311	Cal-Ore
	Giant Communications, Inc.		Giant
	Alpha Enterprises Limited, Inc.		Alphacomm.net
	World Surfer, Inc.		World Surfer
	Netsync Internet Services Corporation		Netsync
	Valley Communications, Inc.		Valley
	Central Telecom Services, LLC		CentraCom Interactive
	LaGrant Connections, LLC		LaGrant Connections, LLC
	WNM Communications Corporation		WNM Communications

File name: 381616nd112.pdf

Inter-Community Telephone Co., LLC
Line 112 – Annual Progress Report on Five-Year Service Quality Improvement Plan

As required in 47 C.F.R. § 54.313(a)(1), the following pages provide the Company's annual progress report on the five-year service quality improvement plan filed in 2014 with the Form 481 that described the proposed improvements and/or upgrades over the next five years to the applicant's network throughout the Company's service area.

47 C.F.R. § 54.313(a)(1) specifies that recipients should submit "[a] progress report on its five-year service quality improvement plan pursuant to § 54.202(a), including a map 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. The information shall be submitted at the wire center level or census block as appropriate."

This document describes the Company's progress report on the five-year plan, pursuant to 47 C.F.R. §54.313(a)(1), including a map explaining the Company's progress towards meeting deployment targets, the amount of universal service support received, how support 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. The information regarding the total amount of universal service support received is broken out separately by the amount spent on capital expenses and the amount spent on operating expenses. The information regarding planned and/or completed network improvements shall be at the wire center level or census block, as appropriate.

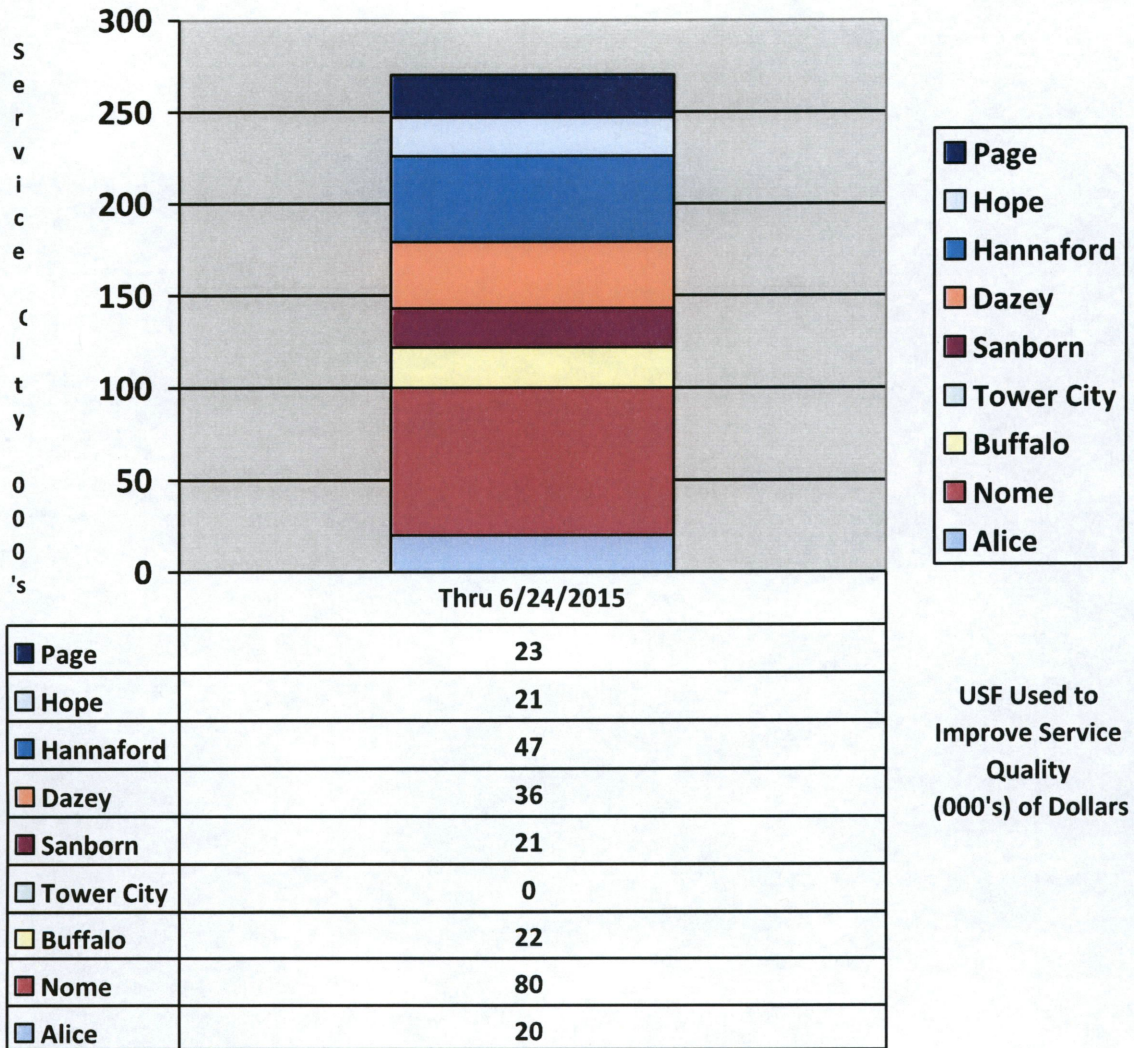
QUANTIFICATION OF AMOUNT OF USF SPENT ON CAPITAL VERSUS OPERATING EXPENSES:

Line 114 of Form 481 requests a quantification of how much USF was received for the Company's service area and that the amount be broken out separately by the amount spent on capital expenditures and the amount spent on operating expenses. For the six months ending June 30, 2015, the Company is expected to receive \$654 Thousand in federal USF revenue, including High Cost Loop Support ("HCLS"), Interstate Common Line Support ("ICLS") and Connect America Funds (CAF") which is used approximately \$321 Thousand for capital expenditures and \$333 Thousand to cover a portion of the Company's operating expenses. Please note that since the instructions were to provide data up to the filing date of the Form 481, these numbers, as well as the data on the following pages are estimates since the general accounting books of the Company are not closed for June 2015 as of the date of this filing.

**Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)**

QUANTIFICATION OF AMOUNT OF USF SPENT TO IMPROVE SERVICE QUALITY:

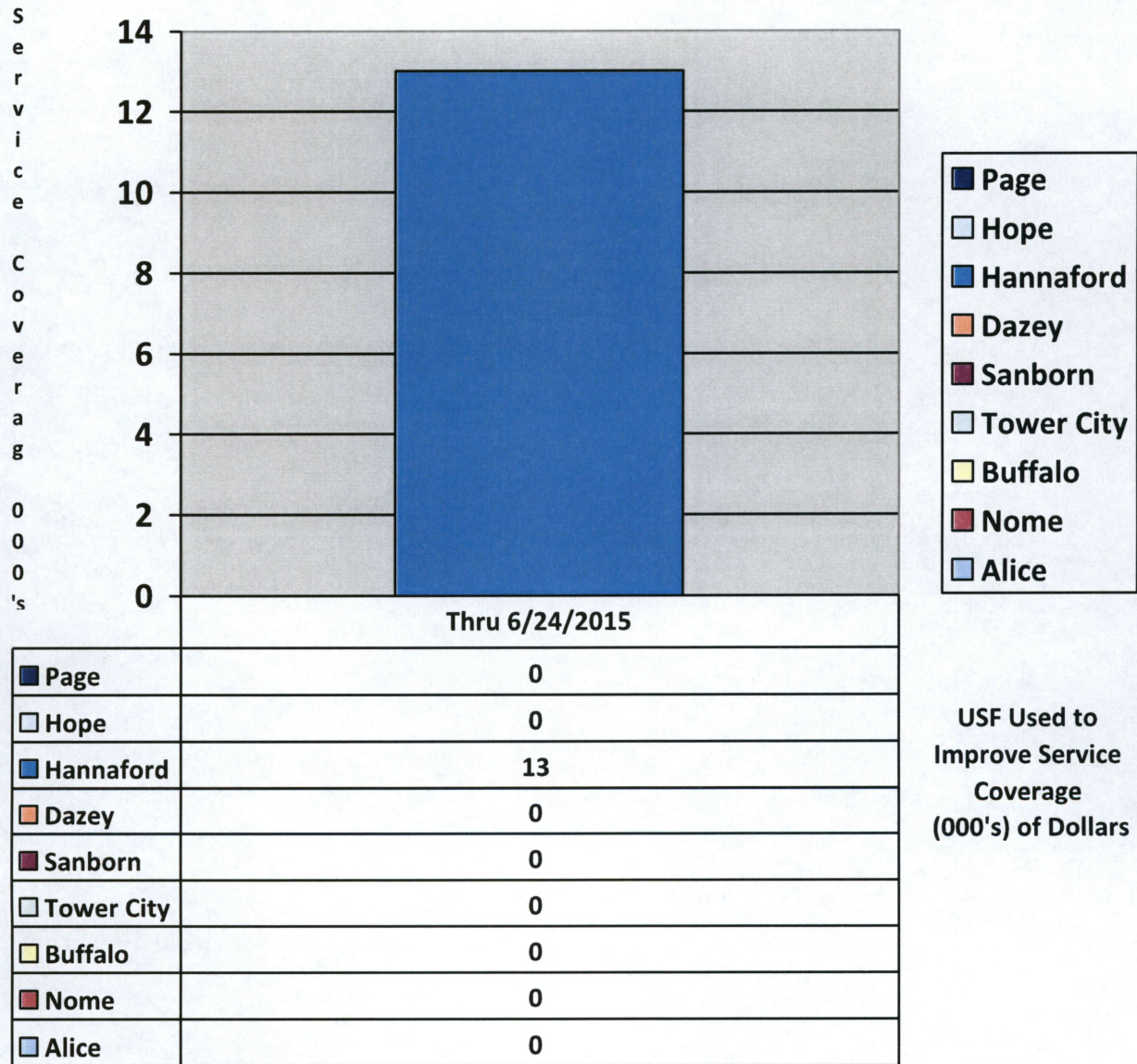
Line 115 of Form 481 requests that the progress report specify how much USF support was used to improve service quality, at the wire center level or census block, as appropriate. The Company improved service quality in numerous ways, but primarily by investing in the following capital expenditures to increase the broadband speed available to customers:



**Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)**

QUANTIFICATION OF AMOUNT OF USF SPENT TO IMPROVE SERVICE COVERAGE:

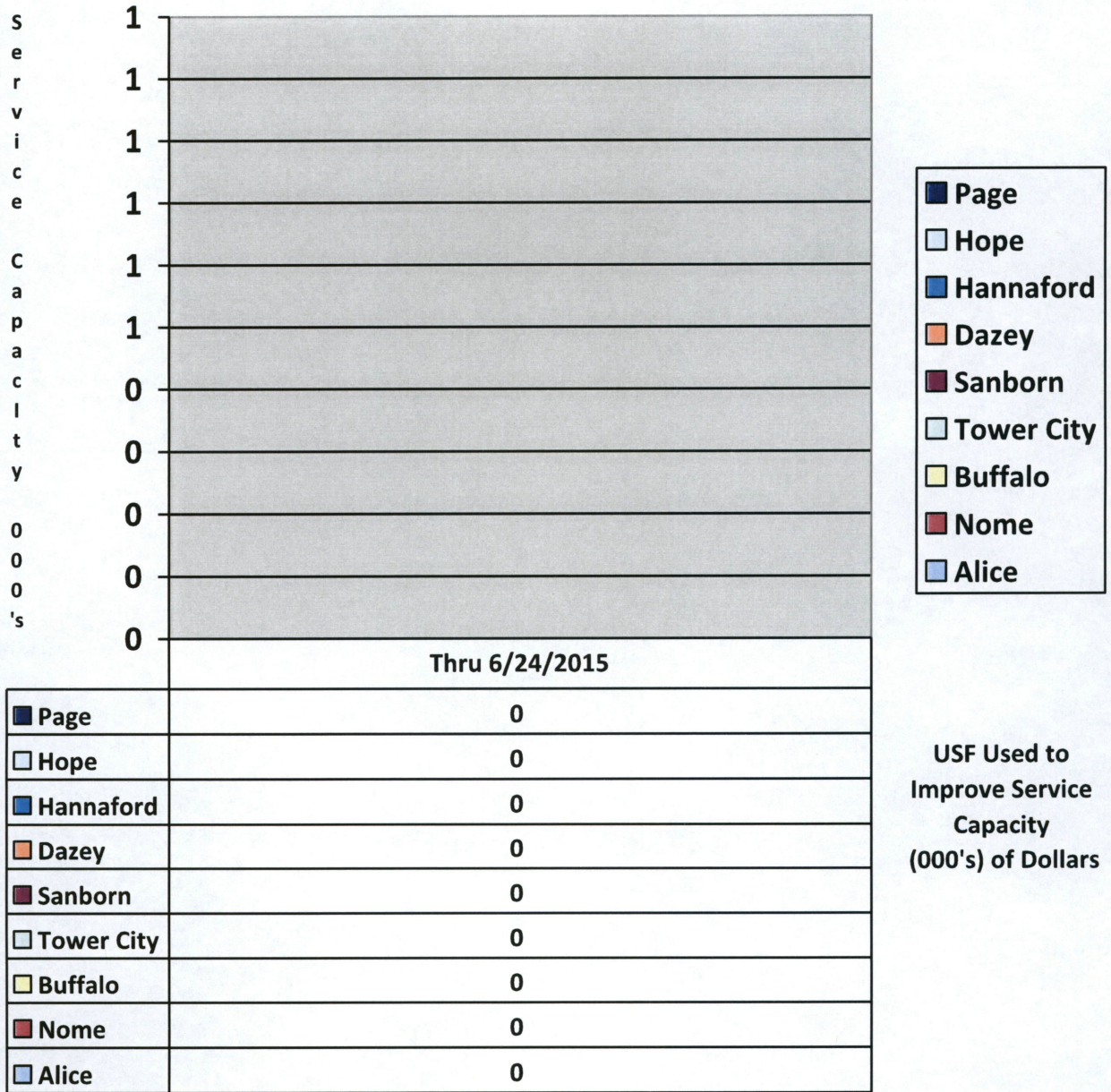
Line 116 of Form 481 requests that the progress report specify how much USF support was used to improve service coverage, at the wire center level or census block, as appropriate. As of June 24, 2015, the Company's service coverage was generally close to 100% of our service territory at 4 Mbps downstream and 1 Mbps Upstream ("4/1"). Therefore, most of the capital expenditures are to improve service capacity rather than service coverage. The following summarizes how support was used for capital expenditures to improve service coverage:



**Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)**

QUANTIFICATION OF AMOUNT OF USF SPENT TO IMPROVE SERVICE CAPACITY:

Line 117 of Form 481 requests that the progress report specify how much USF support was used to improve service capacity, at the wire center level or census block, as appropriate. The following summarizes how support was used for capital expenditure to improve service capacity.



Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)

Please note that the answers to lines 115, 116 and 117 overlap and are very difficult to differentiate. When you install or upgrade additional fiber and DLCs, you typically improve service quality, provide additional service coverage and increase service capacity. It is only an approximation to separately identify if the fiber and DSL increased service quality versus improving service coverage or increasing service capacity. There is an overlap in the responses for lines 115, 116 and 117. Since most of the Company's customers can receive 4/1, it is not typically increasing service coverage, but rather, it is generally service capacity and overall quality of service that is improved.

EXPLANATION OF ACHIEVEMENT OF NETWORK IMPROVEMENT OBJECTIVES:

Line 118 requests an explanation of reasons why network improvement targets were not achieved, if applicable, at the wire center level or census block, as appropriate. While the five-year plan filed in 2014 did not have half-year projections, the Company believes it is currently on track to meet the annual 2015 plan. Of course, circumstances for the remainder of 2015 can change where it is not able to meet its network improvement objectives primarily for the following reasons (not in any particular order):

- 1) **Permits:** It is not possible to predict the ability to obtain all necessary permits, including easements and rights-of-way, within the five-year time-frame required to complete the capital expenditures included in the Company's five-year plan. Permits can be, and often are, delayed significantly by various governmental agencies and those delays are totally outside the control of the Company.
- 2) **Weather Issues:** It is not possible to predict the impact of the weather on the installation of the capital expenditures included in the Company's five-year plan. For example, if the ground is frozen, the timing of installing facilities can be significantly delayed and those delays are totally outside the control of the Company.
- 3) **Lead Time to Obtain Materials from Vendors:** It is not possible to predict when a material critical for the capital expenditures included in the Company's five-year plan may come into a shortage situation. For example, currently the industry is experiencing a shortage of fiber optic cable where there is a significant lead time to obtain fiber optic cable. Delays of this nature are impossible to predict and are totally outside the control of the Company.
- 4) **Lead time to get Contractors to Install Facilities:** Just as with the materials, the Company has experienced times when it was not able to obtain contractors to install the equipment because the Company is not large enough compared to other firms wanting the contractor to do work for them. Therefore, the Company had to wait until much later than anticipated to get the contractor to come install the facilities for them. Once again, delays of this nature are impossible to predict and are totally outside the control of the Company.

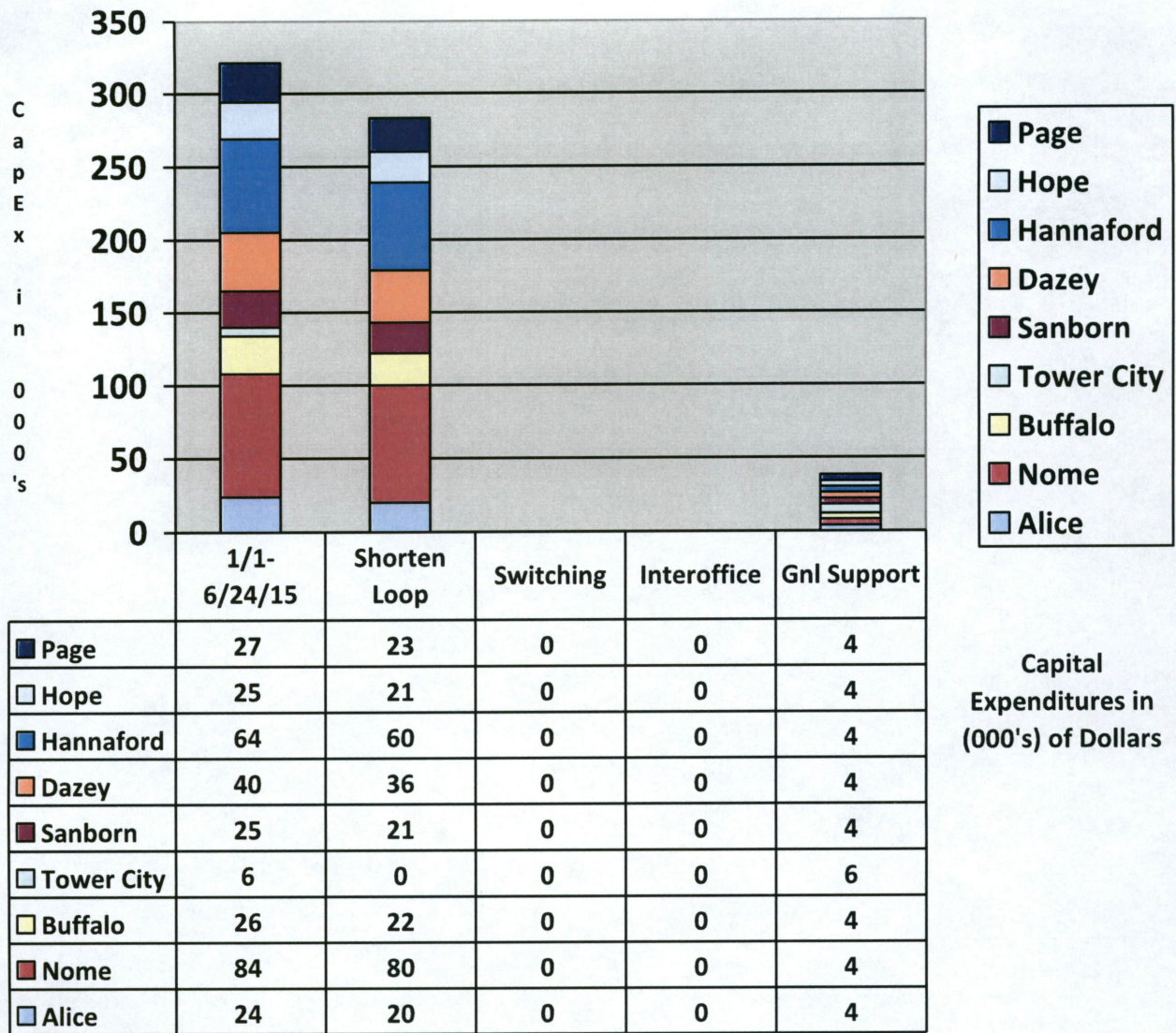
Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)

PROGRESS REPORT ON THE FIVE-YEAR PLAN:

As described in the five-year plan, the Company provides service primarily through the use of fiber optic cable and electronics between the central offices and between the central offices and the subscriber terminal equipment (e.g., Digital Loop Carriers (“DLCs”)) in the field. Copper cable is still in use and most frequently, the last mile facilities are generally provided over copper. The Company has a certain amount of fiber-to-the-premise (“FTTP”) facilities, as well. It is the company’s intention to continue to install fiber optic cable and electronics, wherever feasible. The company has begun the transition from the TDM-based network to an IP-network and is continually assessing the most cost-effective technology solutions to provide our customers the services they request.

Each exchange in the company only has one wire center; therefore, the progress report on the five-year plan is presented at the exchange level (which is also the wire center level). Estimated regulated capital expenditures for the RLEC from January 1, 2015 through June 24, 2015, as projected as part of the total 2015 capital expenditures in the five-year plan filed in 2014, in each of the Company’s exchanges are estimated to be as follows:

Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)



Capital Expenditures in (000's) of Dollars

Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont’d)

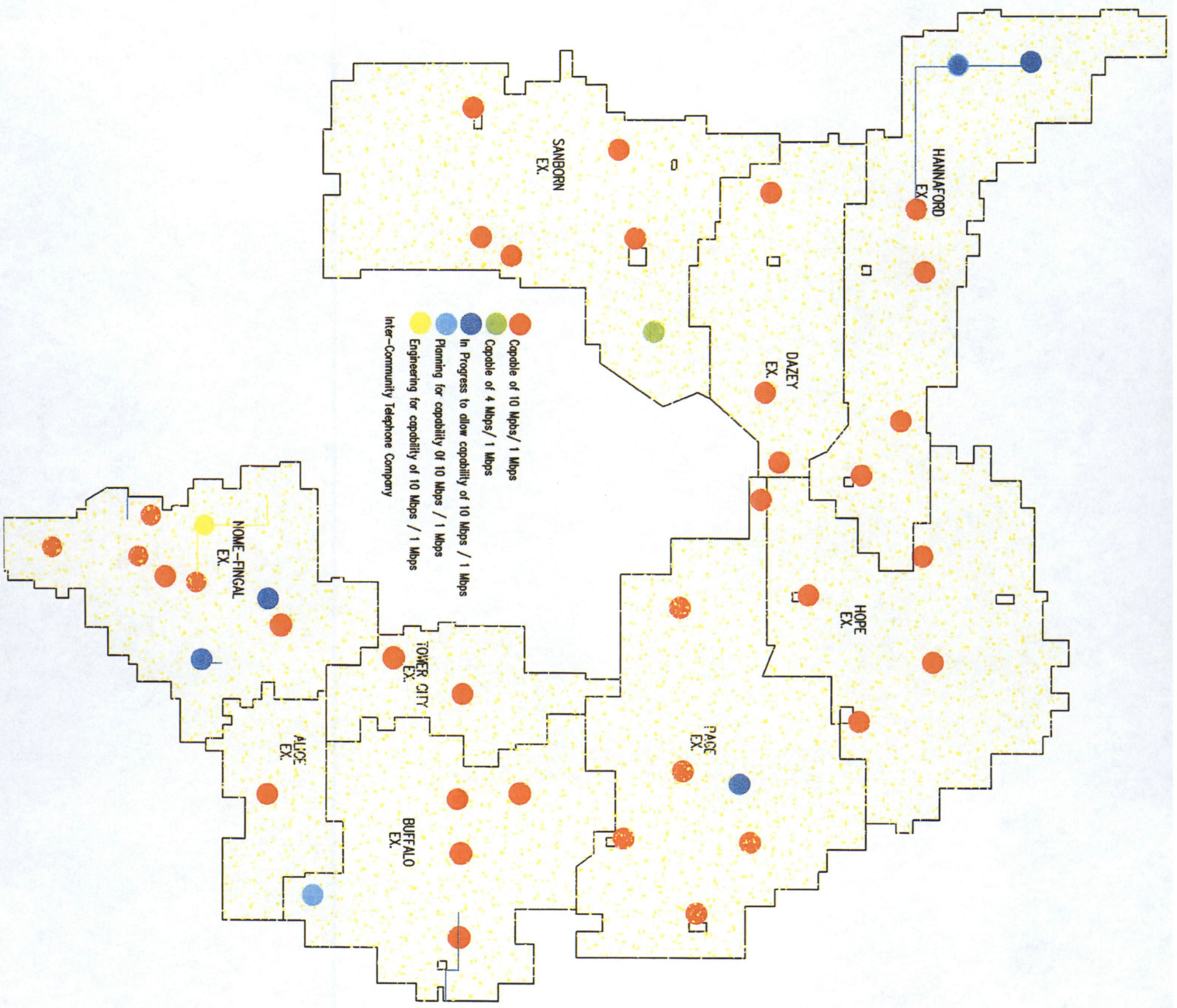
COMMUNITY ANCHOR INSTITUTIONS:

Line 3012 of the Form 481 requests per 47 C.F.R. § 54.313(e)(ii), the number, names, and addresses of community anchor institutions to which the ETC began offering broadband service in the preceding calendar year. The Company already provides broadband service to all of the community anchor institutions in the serving area. If the community anchor institution requests increased bandwidth, the Company works with the institution to determine and supply the broadband service that best fits the needs of the institution. No new community anchor institutions received broadband service from the Company in the preceding calendar year.

CONCLUSION:

The company is doing an excellent job progressing on the five-year service quality improvement plan filed in 2014 with the FCC with the Form 481. The Company is continuing to improve and upgrade facilities in order to provide customers with the highest quality voice and broadband service in the most cost-effective manner. This includes shortening the length of the loops, as needed, in order to provide greater bandwidth to the customer, augmenting and upgrading the interexchange facilities, as needed, to provide greater speeds and sufficient facilities for special access circuits, including, but not limited to, dedicated facilities to wireless towers, modifying switching equipment, as needed, in order to provide the services and features desired by the customer, and adding/replacing general support equipment, as needed, in order to continue to operate as a company and provide service to the end user.

The map attached to the end of this report shows the status of the projects performed from January 1, 2015 through June 24, 2015, including a description of the stage the project (e.g., project engineered versus project completed).



File name: 381616nd510.pdf

Inter-Community Telephone Co., LLC
Line 510 – Compliance with Service Quality Standards and Consumer Protection

As required in 47 C.F.R. § 54.313(a)(5) for High-cost Recipients, the following is a detailed description of how the Company complies with Service Quality Standards and Consumer Protection Rules.

SERVICE QUALITY STANDARDS: The Company abides by the State Commission's requirements for service quality. All required reporting is done with the Company in full compliance of the service quality standard requirements.

CONSUMER PROTECTION RULES:

The Company developed and implemented a Customer Proprietary Network Information ("CPNI") Compliance Manual and has appointed a CPNI Compliance Officer. Annually, the Company requires all employees to certify that they have reviewed and understand the CPNI Compliance Manual and that they understand that any violation of the Company's CPNI procedures may result in disciplinary action up to and including dismissal. The Company files an annual report with the Federal Communications Commission ("FCC") certifying compliance with the FCC's CPNI rules.

The Company also developed and implemented an Identity Theft Prevention Program Manual and has appointed a Red Flag Coordinator. Annually, the Company requires all employees certify that they have reviewed and understand the Identity Theft Prevention Program Manual. Further, employees must certify that they understand that any violation of the Company's identity theft prevention procedures may result in disciplinary action up to and including dismissal.

File name: 381616nd610.pdf

Inter-Community Telephone Co., LLC

Line 610 – Functionality in Emergency Situations

As required in 47 C.F.R. § 54.313(a)(6) for all high cost recipients, which includes the Company, and as set forth in 47 C.F.R. § 54.202(a)(2), the following provides a detailed description demonstrating that the Company has the ability to remain functional in emergency situations, including a demonstration that 1) it has a reasonable amount of back-up power to ensure functionality without an external power source, 2) is able to reroute traffic around damaged facilities, and 3) is capable of managing traffic spikes resulting from emergency situations.

OVERALL RESPONSE TO EMERGENCY SITUATIONS: The Company has a comprehensive disaster recovery plan (also called a “continuity plan”) that was developed and implemented for the Company specifically to deal with emergencies. It has detailed, specific steps that are to be taken for each type of emergency.

POWER: In order to function in an emergency, the Company has a combination of batteries and emergency generators. Permanent locations have emergency generators with fuel tanks. The company’s central offices have automatic stand-by generators to run the entire offices. The digital loop carrier (“DLC”) sites also have battery back-up.

REROUTING TRAFFIC AND REDUNDANCY: The network was designed with redundancy wherever possible. Where it is not redundant, the Company has the ability to redirect most backbone traffic. In cases where there is no redundancy it is geographically impracticable to build. For example, the loop to the customer location is typically not redundant, especially for residential customers. This is because it would not be cost effective to build totally separate facilities for the “last mile” to the customer.

MANAGING TRAFFIC SPIKES: The Company realizes that when a catastrophe happens, everyone immediately tries to contact friends and family to make certain they are all right. The Company has designed the network to have excess capacity on its backbone network. For example, on Mother’s Day, the company handles traffic without the customer receiving the “All Trunks Busy” message which demonstrates the Company’s ability to handle peak traffic spikes.

File name: 381616nd1010.pdf

Inter-Community Telephone Co., LLC
Line 1010 – Voice Services Rate Comparability

As required in 47 C.F.R. § 54.313(a)(10), any recipient of high-cost support shall provide a letter certifying that the pricing of the company's voice services is no more than two standard deviations above the applicable national average urban rate for voice services, as specified in the most recent public notice issued by the Wireline Competition Bureau and Wireless Telecommunications Bureau.

The following provides the Company's support for Line 1010 - Description of Voice Service Rate Comparability.

	<u>Tower City</u>	<u>Sanborn</u>	<u>Buffalo</u>	<u>All Other</u>
Flat Rate Residential Service	\$16.25	\$16.58	\$16.50	\$16.50
State Residential Subscriber Line Charge	\$0.00	\$0.00	\$0.00	\$0.00
State Universal Service Charge Fee	\$0.00	\$0.00	\$0.00	\$0.00
Mandatory Extended Area Service	\$0.00	\$0.00	\$0.50	\$0.00
Residential Federal Subscriber Line Charge	\$6.50	\$6.50	\$6.50	\$6.50
Total Residential Fixed Voice Charges	\$22.75	\$23.08	\$23.50	\$23.00

Since none of the totals for residential fixed voice that the Company charges, as shown above, are below the \$47.48, which is the reasonable comparability benchmark for voice services announced by the FCC Wireline Competition Bureau in the Public Notice released on April 16, 2015 (DA 15-470), the Company hereby certifies that it is in compliance with 47 C.F.R. § 54.313(a)(10).

File name: 381616nd3010.pdf

Inter-Community Telephone Co., LLC
Line 3010 – Annual Progress Report on Five-Year Service Quality Improvement Plan

As required in 47 C.F.R. § 54.313(a)(1), the following pages provide the Company's annual progress report on the five-year service quality improvement plan filed in 2014 with the Form 481 that described the proposed improvements and/or upgrades over the next five years to the applicant's network throughout the Company's service area.

47 C.F.R. § 54.313(a)(1) specifies that recipients should submit "[a] progress report on its five-year service quality improvement plan pursuant to § 54.202(a), including a map 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. The information shall be submitted at the wire center level or census block as appropriate."

This document describes the Company's progress report on the five-year plan, pursuant to 47 C.F.R. §54.313(a)(1), including a map explaining the Company's progress towards meeting deployment targets, the amount of universal service support received, how support 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. The information regarding the total amount of universal service support received is broken out separately by the amount spent on capital expenses and the amount spent on operating expenses. The information regarding planned and/or completed network improvements shall be at the wire center level or census block, as appropriate.

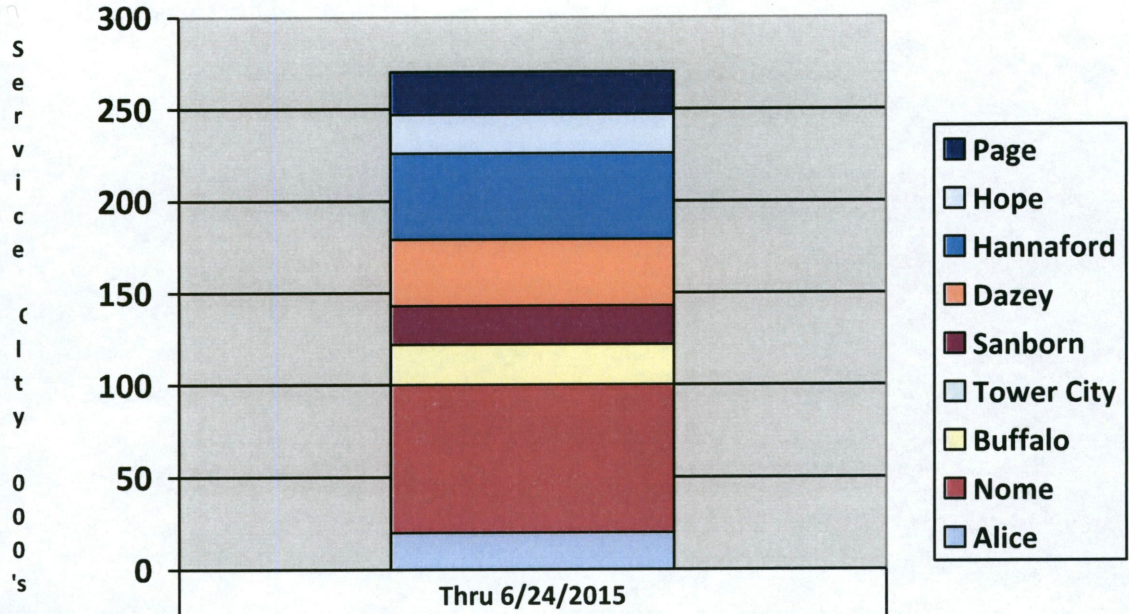
QUANTIFICATION OF AMOUNT OF USF SPENT ON CAPITAL VERSUS OPERATING EXPENSES:

Line 114 of Form 481 requests a quantification of how much USF was received for the Company's service area and that the amount be broken out separately by the amount spent on capital expenditures and the amount spent on operating expenses. For the six months ending June 30, 2015, the Company is expected to receive \$654 Thousand in federal USF revenue, including High Cost Loop Support ("HCLS"), Interstate Common Line Support ("ICLS") and Connect America Funds (CAF) which is used approximately \$321 Thousand for capital expenditures and \$333 Thousand to cover a portion of the Company's operating expenses. Please note that since the instructions were to provide data up to the filing date of the Form 481, these numbers, as well as the data on the following pages are estimates since the general accounting books of the Company are not closed for June 2015 as of the date of this filing.

**Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)**

QUANTIFICATION OF AMOUNT OF USF SPENT TO IMPROVE SERVICE QUALITY:

Line 115 of Form 481 requests that the progress report specify how much USF support was used to improve service quality, at the wire center level or census block, as appropriate. The Company improved service quality in numerous ways, but primarily by investing in the following capital expenditures to increase the broadband speed available to customers:



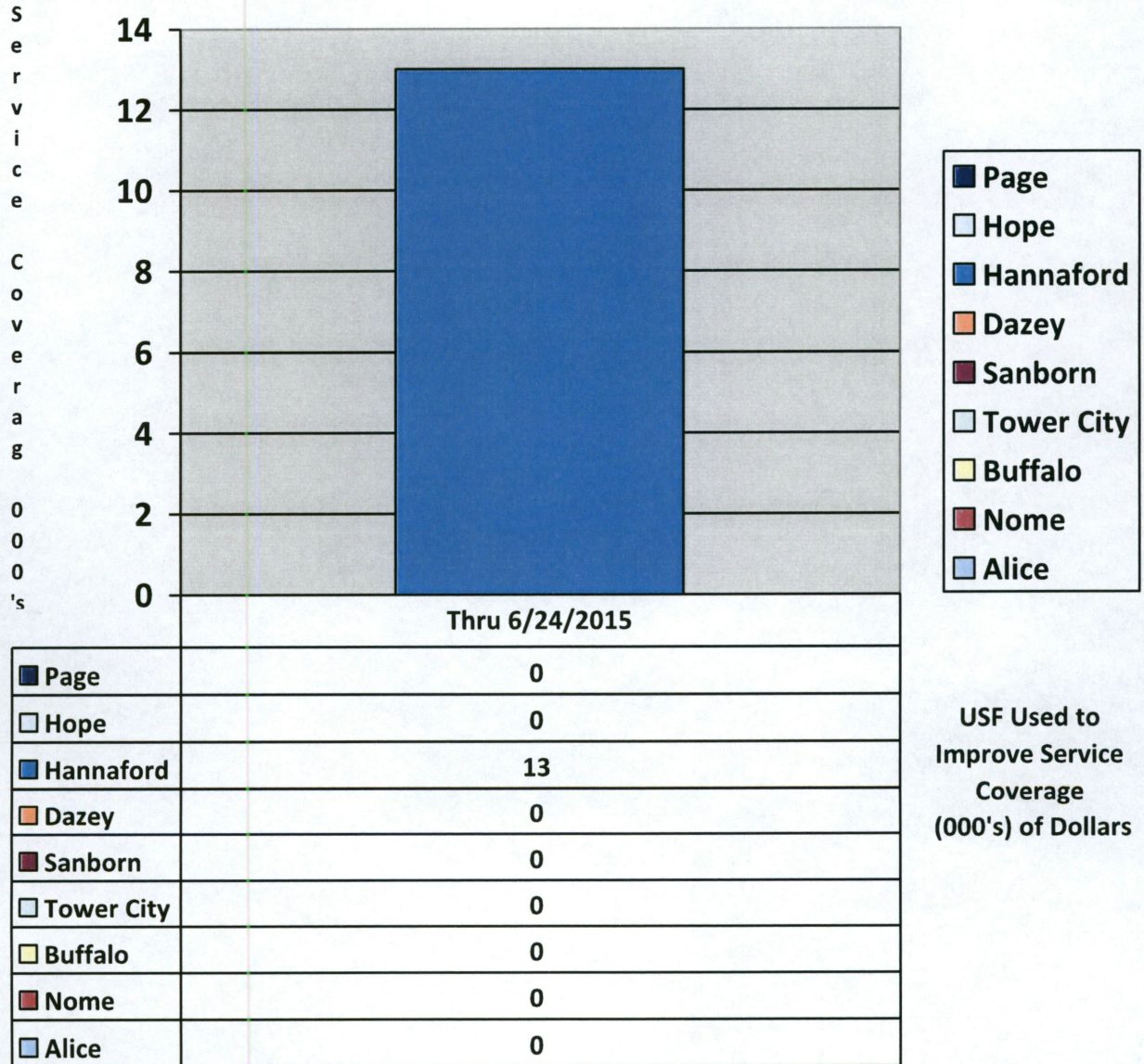
Thru 6/24/2015	
■ Page	23
□ Hope	21
■ Hannaford	47
■ Dazey	36
■ Sanborn	21
□ Tower City	0
■ Buffalo	22
■ Nome	80
■ Alice	20

USF Used to Improve Service Quality (000's) of Dollars

**Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)**

QUANTIFICATION OF AMOUNT OF USF SPENT TO IMPROVE SERVICE COVERAGE:

Line 116 of Form 481 requests that the progress report specify how much USF support was used to improve service coverage, at the wire center level or census block, as appropriate. As of June 24, 2015, the Company's service coverage was generally close to 100% of our service territory at 4 Mbps downstream and 1 Mbps Upstream ("4/1"). Therefore, most of the capital expenditures are to improve service capacity rather than service coverage. The following summarizes how support was used for capital expenditures to improve service coverage:



**Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)**

QUANTIFICATION OF AMOUNT OF USF SPENT TO IMPROVE SERVICE CAPACITY:

Line 117 of Form 481 requests that the progress report specify how much USF support was used to improve service capacity, at the wire center level or census block, as appropriate. The following summarizes how support was used for capital expenditure to improve service capacity.

S e r v i c e C a p a c i t y o o o 's	1	
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Thru 6/24/2015		
■ Page	0	<p align="center">USF Used to Improve Service Capacity (000's) of Dollars</p>
□ Hope	0	
■ Hannaford	0	
■ Dazey	0	
■ Sanborn	0	
□ Tower City	0	
■ Buffalo	0	
■ Nome	0	
■ Alice	0	

Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)

Please note that the answers to lines 115, 116 and 117 overlap and are very difficult to differentiate. When you install or upgrade additional fiber and DLCs, you typically improve service quality, provide additional service coverage and increase service capacity. It is only an approximation to separately identify if the fiber and DSL increased service quality versus improving service coverage or increasing service capacity. There is an overlap in the responses for lines 115, 116 and 117. Since most of the Company's customers can receive 4/1, it is not typically increasing service coverage, but rather, it is generally service capacity and overall quality of service that is improved.

EXPLANATION OF ACHIEVEMENT OF NETWORK IMPROVEMENT OBJECTIVES:

Line 118 requests an explanation of reasons why network improvement targets were not achieved, if applicable, at the wire center level or census block, as appropriate. While the five-year plan filed in 2014 did not have half-year projections, the Company believes it is currently on track to meet the annual 2015 plan. Of course, circumstances for the remainder of 2015 can change where it is not able to meet its network improvement objectives primarily for the following reasons (not in any particular order):

- 1) **Permits:** It is not possible to predict the ability to obtain all necessary permits, including easements and rights-of-way, within the five-year time-frame required to complete the capital expenditures included in the Company's five-year plan. Permits can be, and often are, delayed significantly by various governmental agencies and those delays are totally outside the control of the Company.
- 2) **Weather Issues:** It is not possible to predict the impact of the weather on the installation of the capital expenditures included in the Company's five-year plan. For example, if the ground is frozen, the timing of installing facilities can be significantly delayed and those delays are totally outside the control of the Company.
- 3) **Lead Time to Obtain Materials from Vendors:** It is not possible to predict when a material critical for the capital expenditures included in the Company's five-year plan may come into a shortage situation. For example, currently the industry is experiencing a shortage of fiber optic cable where there is a significant lead time to obtain fiber optic cable. Delays of this nature are impossible to predict and are totally outside the control of the Company.
- 4) **Lead time to get Contractors to Install Facilities:** Just as with the materials, the Company has experienced times when it was not able to obtain contractors to install the equipment because the Company is not large enough compared to other firms wanting the contractor to do work for them. Therefore, the Company had to wait until much later than anticipated to get the contractor to come install the facilities for them. Once again, delays of this nature are impossible to predict and are totally outside the control of the Company.

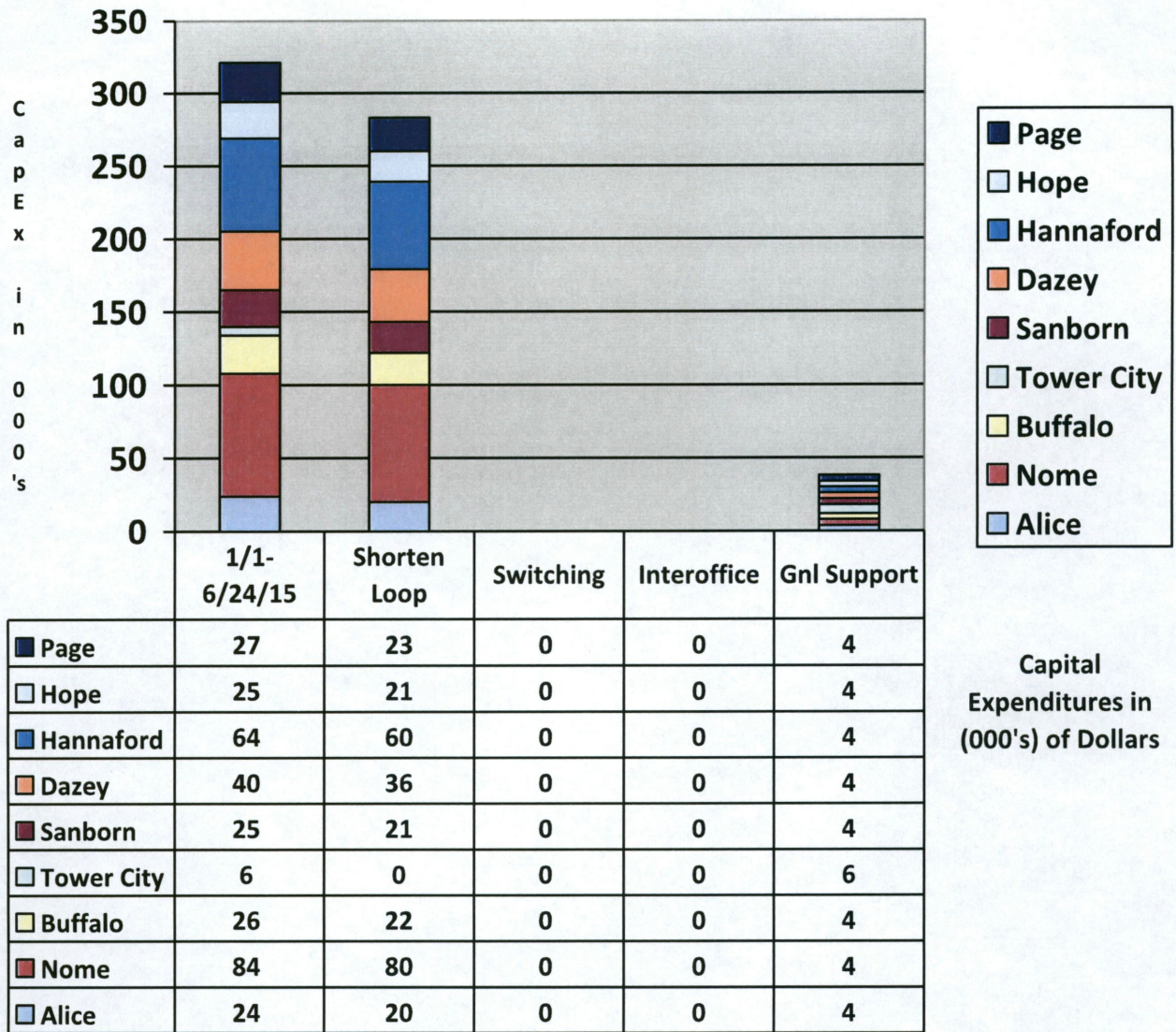
Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)

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Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)



Capital Expenditures in (000's) of Dollars

Inter-Community co Telephone Company, Inc.
Line 112 – Five-Year Service Quality Improvement Plan (Cont'd)

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CONCLUSION:

The company is doing an excellent job progressing on the five-year service quality improvement plan filed in 2014 with the FCC with the Form 481. The Company is continuing to improve and upgrade facilities in order to provide customers with the highest quality voice and broadband service in the most cost-effective manner. This includes shortening the length of the loops, as needed, in order to provide greater bandwidth to the customer, augmenting and upgrading the interexchange facilities, as needed, to provide greater speeds and sufficient facilities for special access circuits, including, but not limited to, dedicated facilities to wireless towers, modifying switching equipment, as needed, in order to provide the services and features desired by the customer, and adding/replacing general support equipment, as needed, in order to continue to operate as a company and provide service to the end user.

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