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***Via Overnight Delivery and E-Filing***

August 3, 2017

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: In the Matter of the Annual Report to the North Dakota Public Service Commission for Essential Telecommunications Carrier Certification for Halstad Telephone Company - SAC 389002

Case No. PU-17-294

Dear Mr. Nitschke:

Enclosed for filing in accordance with the Commission's Order of August 28, 2002, in the above-referenced proceeding, is an affidavit certifying that all federal high-cost support provided to Halstad Telephone Company 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.

As supplemental information to the FCC 481 Annual Report the Company includes Exhibits provided in previous years as part of the Annual Report pursuant to sections 69-09-05-12 and 69-0905-12.1 of the North Dakota Administrative Code and Section 49-21-01.7(12) of the North Dakota Century Code and a Request to Protect Trade Secret Information on behalf of Halstad Telephone Company.

A copy of each of these documents has also been provided by email to [ndpsc@nd.gov](mailto:ndpsc@nd.gov). In a separate sealed envelope, marked "Trade Secret - Private," is Halstad Telephone Company's Trade Secret Exhibit A.

9 **PU-17-44** Filed: 8/3/2017 Pages: 13  
**ND Admin Code Section 69-09-05-12.1 Annual Report - redacted**

Halstad Telephone Company

Pamela Hintz, Telecomm. Consultant

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The Company respectfully requests that the Commission notify the FCC and USAC prior to October 1<sup>st</sup> of this year that Halstad Telephone Company is eligible to receive Federal High-Cost support for 2018.

Please contact me if further information is required.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Pamela L. Hintz'.

Pamela L. Hintz  
Telecommunications Consultant  
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(651) 621-8535

Enclosures

**ANNUAL REPORT TO THE NORTH DAKOTA PUBLIC SERVICE COMMISSION**

**ESSENTIAL TELECOMMUNICATIONS CARRIER CERTIFICATION**

The undersigned, on behalf of the telecommunications company named below (the Company), does hereby state and certify, as follows:

- 1 The 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 customer's 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 service can be provided at a reasonable cost by:
  - a. Modifying or replacing the requesting customer's 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. The Company is able to remain functional in emergency situations and has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.
4. The Company is satisfying and will satisfy applicable consumer protection and service quality standards. (If wireless service is involved, the Company has and will comply with the Cellular Telecommunications and Internet Association's Consumer Code for wireless service. If a wireless service complies with another standard, that is explained herein.)
5. If the Company is a non-incumbent local exchange carrier, it will offer a local usage plan comparable to the one offered by the incumbent local exchange carrier in the designated service area.

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6. 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.)
7. 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 and link-up service.
  - b. Advertising of the availability of 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 stuffers, direct mailings, or other means intended to convey availability throughout the designated service area.

**Exhibit A Information**

(Reference to Exhibit A in this document is not intended to waive any rights this company has to claim that Exhibit A contains confidential and proprietary information.)

The following information is provided in Exhibit A attached hereto and incorporated herein by reference:

1. A description of the amount of high-cost universal service support received by the Company in the prior calendar year and a description of how that support was used for the provision, maintenance, or upgrading of the Company's facilities and services. (An explanation of any changes from reports previously provided to the Commission is also included.)
2. An estimate of the amount of federal high-cost universal service support the Company anticipates receiving in the following calendar year (the calendar year following this report) and a description of how that support is projected to be used for the provision, maintenance, or upgrading of the Company's facilities and services pursuant to Section 254 of the Telecommunications Act of 1996.
3. Exhibit A also contains, for the prior calendar year and the subsequent calendar year (the calendar year following this report), identification of specific construction or upgrade projects; a description of how service will be improved by each project; the start date and completion date for each improvement; the amount of investment for cash improvement; the specific geographic area where each improvement was made or will be made; and the estimated population that will be served by each improvement. (For an incumbent local exchange carrier (ILEC), this information is submitted at the study area level. For another eligible carrier, this information is submitted at the study area level of the ILEC. If a study area level or designated service area includes geographic areas in more than one state, the information is also submitted at the North Dakota level.)

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4. Detailed information of any outage, as that term is defined in 47 C.F.R. § 4.5, of at least thirty (30) minutes in duration for each designated service area for any facilities the Company owns, operates, leases, or otherwise utilizes that potentially affect:
  - a. At least ten percent (10%) of the end users served in a designated service area, or
  - b. A 911 special facility, as defined in 47 C.F.R. § 4.5(e).

This report includes:

- a. The date and time of the onset of the outage,
- b. A brief description of the outage and its resolution,
- c. The particular services affected,
- d. The geographic areas affected by the outage,
- e. Steps taken to prevent a similar outage in the future, and
- f. The number of customers affected.

(If applicable, a copy of the FCC outage report that includes this information may be attached.)

5. The number of requests for service from potential customers within the designated service area that were unfilled during the past year. A detail of how the Company attempted to provide service to those potential customers is also included.
6. The number of complaints per thousand handsets or lines.

I hereby certify that the above information is true and correct and is submitted on behalf of the Company named below. The information is submitted in the year 2016.

Halstad Telephone Company  
Company

By: /s/ Mark Forseth  
Its: CEO

EXHIBIT A

This Exhibit A is supplemented by a non-public Exhibit A labeled "Trade Secret — Private." The Company does not waive any rights to Trade Secret Protection by referencing this "Trade Secret — Private" information in this form.

1a. The amount of high-cost universal support the Company received in the prior calendar year is listed below:

**Year 2016 Federal Universal Service Receipts:**

High Cost Loop Support	\$ 7,311
Local Switching Support	\$ 0
Interstate Common Line Support	\$ 16,614
Connect America Fund	\$ 8,724
Frozen High Cost Support	\$ 18,900
Safety Net Additive Support	\$ 0
Safety Valve Loop Cost Adjustment	\$ 0
<b>TOTAL</b>	<b>\$ 51,549</b>

Company Name: Halstad Telephone Company

1b. **Prior Year's Support.** The ways this support from the prior calendar year was used for the provision, maintenance, or upgrading of the Company's facilities and services are, as follows:

Actual  
2016



**Plant Specific Operations Expenses**  
Network support (Accts 6110-16)  
General support (Accts 6120-24)  
Central office (Accts 6210-6232)  
Cable and wire facilities (Accts 6410-41)  
Network operations (Accts 6530-35)  
Depreciation and amortization (Accts 6560-65)  
Customer Operations Expenses  
Customer services (Accts 6620-23)  
Corporate Operations Expenses  
Executive and planning (Accts 6710-12)  
General and administrative (Accts 6720-28)  
**Total Years Supported Expenses,  
Before Return on Investment**

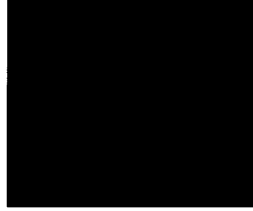
**Additions**  
Switching (Acct 2210)  
Cable and wire (Acct 2410)  
**Total**

**Total Supported Expenditures,  
Before Return on Investment**

2a. The amount of high-cost universal support the Company received in the prior calendar year is listed below:

**Estimated Year 2018 Federal Universal Service Receipts:**

High Cost Loop Support  
Local Switching Support  
Interstate Common Line Support  
Broadband Loop Support  
Frozen High Cost Support  
Safety Net Additive Support  
Safety Valve Loop Cost Adjustment  
TOTAL



Company Name: Halstad Telephone Company

2b. **2018 Support.** The Company anticipates that it will use the following calendar year's support for the provision, maintenance, or upgrading of the Company's facilities and services as follows:

Estimated  
**2018**



**Plant Specific Operations Expenses**  
Network support (Accts 6110-16)  
General support (Accts 6120-24)  
Central office (Accts 6210-6232)  
Cable and wire facilities (Accts 6410-41)  
Network operations (Accts 6530-35)  
Depreciation and amortization (Accts 6560-65)  
**Customer Operations Expenses 0**  
Customer services (Accts 6620-23)  
**Corporate Operations Expenses**  
Executive and planning (Accts 6710-12)  
General and administrative (Accts 6720-28)  
**Total Years Supported Expenses,  
Before Return on Investment**

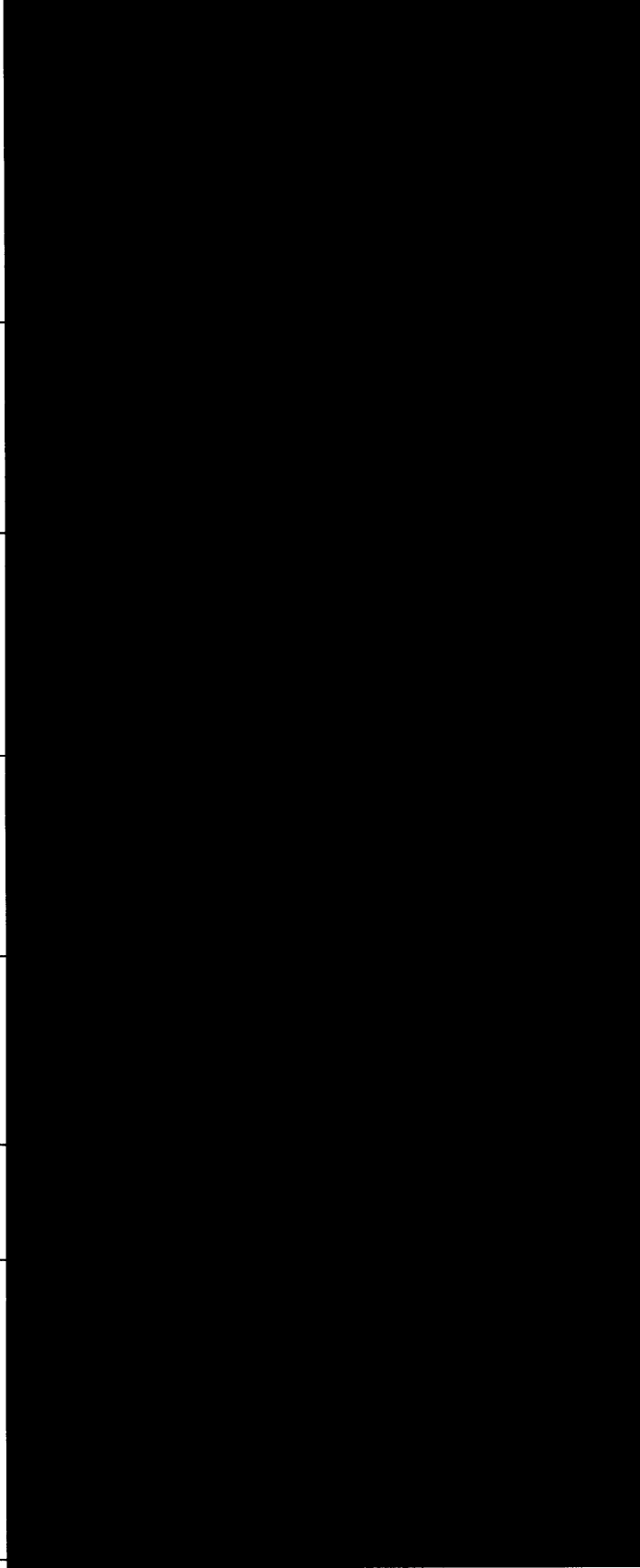
**Additions**  
Switching (Acct 2210)  
Cable and wire (Acct 2410)  
**Total**

**Total Supported Expenditures,  
Before Return on Investment**

Company Name: Halstad Telephone Company

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3a. Specific construction or upgrade projects completed in 2016 are listed below.

Construction or Upgrade Project Name	Start Date	Completion Date	Amount of Investment	Geographic Area of Improvement	Estimated Population Served by Improvement	Description of How Service Will Be Improved
						

Company Name: Halstad Telephone Company

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3b. Specific construction or upgrade projects forecasted for 2018 are listed below.

Construction or Upgrade Project Name	Start Date	Completion Date	Amount of Investment	Geographic Area of Improvement	Estimated Population Served by Improvement	Description of How Service Will Be Improved
[Redacted Content]						

Company Name: Halstad Telephone Company

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4. **Outages.** Detailed information of any outages, as that term is defined in 47 C.F.R. § 45, of at least thirty (30) minutes in duration of each designated service area for any facility which the Company owns, operates, leases, or otherwise utilizes that potentially affect:
- a. At least ten percent (10%) of the end users served in a designated service area, or
  - b. A 911 special facility, as defined in 47 C.F.R. § 45(e).

Date and Time of Onset	Brief Description Of Outage and Resolution of Outage	Particular Services Affected	Geographic Area Affected By Outage	Steps Taken to Prevent Similar Outages in the Future	Number of Customers Affected

Company Name: Halstad Telephone Company

