



# RC TECHNOLOGIES

Telephone / Digital Cable TV / High Speed Internet  
Home Automation / Networking

June 30, 2017



Via Email ([NDPSC@ND.GOV](mailto:NDPSC@ND.GOV))  
and Regular United States Mail

MR. Darrell Nitschke  
Executive Director  
Public Service Commission  
600 East Boulevard Avenue, Dept. 408  
Bismarck, ND 58505-0408

Re: Annual Report Required by N.D. Admin. Code §§69-09-05-12 and 69-09-05-12.1

Dear Mr. Nitschke:

Enclosed for filing is the 2017 High-Cost Universal Service Support Annual Report on behalf of RC Technologies (together, the "Company"). The Company consists of one study area (SAC 391674). All previous subsidiaries were merged into ("the Company") as of January 1, 2015. Also enclosed is the Company's Application for Confidential Treatment of the Annual Report. The company is also providing an affidavit certifying that all universal service support will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended. In making this filing, the Company is at this time neither contesting nor conceding the jurisdiction of the North Dakota Public Service Commission to act in this matter.

Sincerely,

Robin Thoreson  
Accounting Manager

2 PU-17-299 Filed 07/30/2017 Pages: 7  
ND Admin Code Section 69-09-05-12.1 Annual Report - redacted  
RC Technologies Corporation  
Robin Thoreson, Accounting Manager

**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.<sup>3</sup> 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.

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.)

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 2014.

RC Technologies  
Company

By: Robin Johnson  
Its: Accounting Manager

**PROPRIETARY AND CONFIDENTIAL**

**EXHIBIT A**

1. The amount of high-cost universal support the Company received in the prior calendar year and estimate of the amount of high-cost universal support it anticipates receiving in the next calendar year (the calendar year following the date of this report) are listed below:

**Year 2016 Federal Universal Service Receipts:**

This information is separately provided on "Public Exhibit A."

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

High Cost Loop Support	1000000
Local Switching Support	1500000
Interstate Common Line Support	1500000
Connect America Fund Support	1500000
Safety Net Additive Support	500000
Safety Valve Loop Cost Adjustment	500000
<b>TOTAL</b>	<b>\$ 6000000</b>

The changes, if any, are claimed to be "Trade Secret-Private" from reports previously filed with the Commission are, as follows:

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**EXHIBIT A**  
**Progress Report**  
**RC Technologies**

**A. Year 2016 Federal Universal Service Receipts:**

Interstate Access Support	\$	
Interstate Common Line Support	\$	
Connect America Fund Support	\$	
High Cost Loop Support	\$	
Safety Net Additive Support	\$	
Safety Valve Loop Cost Adjustment	\$	
<b>TOTAL</b>	<b>\$</b>	

**Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding:**

	Actual 2016
<b>Plant Specific Operations Expenses</b>	
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)	
<b>Customer Operations Expenses</b>	
Customer services (Accts 6620-23)	
<b>Corporate Operations Expenses</b>	
Executive and planning (Accts 6710-12)	
General and administrative (Accts 6720-28)	
<b>Total Years Supported Expenses, Before Return on Investment</b>	
<b>Additions</b>	
Switching (Acct 2210)	
Transmission Equipment (Acct 2230)	
Cable and wire (Acct 2410)	
<b>Total</b>	
<b>Total Supported Expenditures, Before Return on Investment</b>	

b. Following Year's Support (the calendar year following the date of this report).

The ways the Company anticipates it will use the following calendar year's support for the provision, maintenance, or upgrading of the Company's Facilities as follows:

	<u>Estimated 2018</u>
Network support (Accts 6110-16)	\$ 000000
General support (Accts 6120-24)	\$ 000000
Central office (Accts 6210-6232)	\$ 000000
Cable and wire facilities (Accts 6410-41)	\$ 000000
Network operations (Accts 6530-35)	\$ 000000
Depreciation and amortization (Accts 6560-65)	\$ 000000
Customer Operations Expenses	
Customer services (Accts 6620-23)	\$ 000000
Corporate Operations Expenses	
Executive and planning (Accts 6710-12)	\$ 000000
General and administrative (Accts 6720-28)	\$ 000000
Total Years Supported Expenses, Before Return on Investment	<hr/> \$ 0000000
Additions	
Switching (Acct 2210)	
Transmission (Acct 2230)	\$ 0000000
Cable and wire (Acct 2410)	\$ 0000000
Total	\$ 0000000
Total Supported Expenditures, Before Return on Investment	<hr/> \$ 0000000