



2205 Keithley Creek Road
P.O. Box 7
Midvale, ID 83645
208.355.2211
Fax 208.355.2222

State of Idaho) CERTIFICATION BY ELIGIBLE TELECOMMUNICATIONS CARRIER
) ss OF COMPLIANCE WITH SERVICE QUALITY AND CUSTOMER
County of Washington) PROTECTION, ABILITY TO REMAIN FUNCTIONAL IN EMERGENCIES,
AND USE OF FEDERAL HIGH-COST SUPPORT.

GNR-T-15-01

AFFIDAVIT OF BUSINESS OR CORPORATE OFFICER

The Idaho Public Utilities Commission Order No. 29841 requires that Eligible Telecommunications Carriers (ETC) certify that it is compliant with applicable service quality standards and consumer protection rules; and ETCs must demonstrate the ability to remain functional in emergencies. In addition, the Commission must file an annual certification with the USAC and the FCC that all federal high-cost support provided to ETCs within the State of Idaho will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Accordingly, the undersigned states and verifies under oath the following:

1. I am an officer of Midvale Telephone Exchange, an eligible telecommunications carrier for receiving federal universal service support under section 214(e) of the Telecommunications Act of 1996 in the state of Idaho.
2. I am familiar with the Company's day-to-day operations in the state of Idaho and with the State's service quality standards and consumer protection rules as set forth in Commission Order No. 29841.
3. Midvale Telephone Exchange is complying with applicable service quality standards and consumer protection rules of the Federal Communications Commission and the Idaho Public Utilities Commission.
4. I certify to the Commission that the Company is able to remain functional in emergencies as set forth in Commission Order No. 29841 and in 47 C.F.R. § 54.201(a)(2).
5. I also certify that all federal universal service support funds received by Midvale Telephone Exchange during the current calendar year will be used in a manner consistent with section 254(e); that is, for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The company will continue to comply for the period of January 1, 2017, through December 31, 2017, to be eligible for federal universal service fund support.
6. This verification and affidavit is provided to be the Idaho Public Utilities Commission to enable the IPUC to certify to the FCC that federal universal service support received by the eligible carriers in the state will be used in a manner consistent with Section 254(e) of the Telecommunications Act.

Signature
John Stuart, CEO
Name/Title

June 30, 2016
Date

SUBSCRIBED AND SWORN to before me this 21st day of September, 2016

Notary Public for Idaho, residing at Midvale My Commission expires July 13, 2021



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MTE Communications is an equal opportunity provider and employer



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REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

June 30, 2016

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

RE: **REQUEST FOR CONFIDENTIAL TREATMENT**
WC Docket No. 14-58 - ETC Annual Reports and Certifications

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

Confidential Information – Subject to Protective Order Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, Midvale Telephone Exchange, MTE, Study Area Code 472226 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket No. 14-58. *The version of the Company's FCC Form 481 submitted via ECFS is a redacted version of the filing that contains no confidential information.*

The Company, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan progress report and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan progress report is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's March 22, 2016 *Protective Order* in WC Docket Nos. 10-90 and 14-58. These attachments contain competitively sensitive data that Midvale Telephone Exchange maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Company.

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Five-Year Service Quality Improvement Plan Progress Report

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

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

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

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan Progress Report. Specifically, confidential treatment is sought for all information in the five-year plan progress report related to the Company's access line counts, existing broadband capabilities, and current and planned financial investments in its network that will improve service quality, service coverage, and/or service capacity for its customers.

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

The information was submitted in WC Docket No. 14-58 as an attachment to FCC Form 481-the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a progress report on its five-year service quality improvement plan, pursuant to 47 C.F.R. §54.313(a)(1).

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

The five-year service quality improvement plan progress report contains granular information on the Company's access line counts and/or existing broadband capabilities as well as recent and planned capital investments in its network to improve service quality, service coverage, and/or service capacity. It also contains a map of the Company's service area detailing progress toward meeting broadband deployment targets at the wire center level. This is closely guarded, privileged information that the Company does not make publicly available.

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

Broadband is subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless Internet service providers. Most RLECs also face competition from at least one other wire line broadband provider, such as a larger cable company, who will typically

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seek to “cherry pick” the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite broadband providers.

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

Disclosure of the information contained in the five-year plan progress report would provide competitors with detailed, granular information regarding the Company’s access line count, its existing broadband capabilities, and its recent and planned network investments that improve service quality, coverage, and/or capacity for subscribers. This would give competitors valuable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Company.

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

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

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

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

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

The Company requests that the extracted information be withheld from public inspection indefinitely. The information in the five-year plan progress report details the Company’s most recent network upgrades in relation to its previously submitted service quality improvement plan. It may also contain upcoming planned network improvements during the five-year period ending 2019. This information would provide a very useful baseline for competitors for several years beyond that period.

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

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

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Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). Midvale Telephone Exchange seeks confidential treatment of its financial annual report pursuant to the March 22, 2016 *Protective Order* in WC Docket Nos. 10-90 and 14-58.¹ The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

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

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

Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

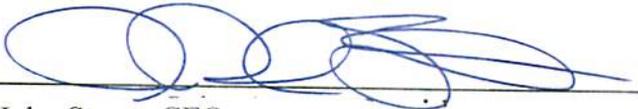
The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as attachments to the FCC Form 481.

In the filing submitted via ECFS, all pages containing confidential information bear the legend "REDACTED – FOR PUBLIC INSPECTION."

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

Please contact me if you have any questions.

Sincerely,



John Stuart, CEO
MTE Communications

<01> Study Area Code 472226

<02> Study Area Name HONOLULU REG. ECON. DEV. - 29

<03> Program Year 2017

<04> Contact Name: Person USJC should contact with questions about this data John Stewart

<05> Contact Telephone Number: 202353211 ext.

<06> Contact Email Address: john.stewart@econ.com

<07> Email of the person identified in data line <04> john.stewart@econ.com

FUND Type 94.313 and 94.432

(100) Service Quality Improvement Reporting
Data Collection Form

ROC Form 481
OMB Control No. 3060-0988/OMB CONTROL NUMBER
JUN2013

412224

412224
MINIWARE TEL. SERV. INC. - 10

2017

John Stewart
303352211 ext.

John.stewart@parson.com

<10> Study Area Code (yes/ no)

<11> Study Area Name (yes/ no)

<12> Program Year (yes/ no)

<13> Ordered Name - Person USC could contact regarding this data (yes/ no)

<14> Ordered Telephone Number - Number of person identified in data line <13> (yes/ no)

<15> Ordered Email Address - Email Address of person identified in data line <13> (yes/ no)

<16> Has your company received its EIC Certification from the FCC? (yes/ no)

If your answer to line <16> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC? (yes/ no)

If your answer to line <16> is yes, file a progress report, on line <17> detailing 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

<17> Add the following information to your progress report if your company is a CEIC which only receives frozen support, your progress report is only required to address voice telephony service

881_Service Quality Improvement_ID.XLS

Name of Attached Document

<18> 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

<18a> Maps detailing progress towards meeting plan targets Yes No Not Applicable

<18b> Report how much universal service (USF) support was received Yes No Not Applicable

<18c> How much (USF) was used to improve service quality and how support was used to improve service quality Yes No Not Applicable

<18d> How much (USF) was used to improve service coverage and how support was used to improve service coverage Yes No Not Applicable

<18e> How much (USF) was used to improve service capacity and how support was used to improve service capacity Yes No Not Applicable

<18f> Provide an explanation of network improvement targets not met in the prior calendar year. Yes No Not Applicable

(b)(7) - [Redacted]
Data Collection Form

RCR Form 491
OMB Control No. 3060-0660/048
JUN 2013

<D1> Study Area Code

012224

<D15> Study Area Name

MINORALE TEL. SCRM, INC. - 3D

<D2> Program Year

2017

<D3> Contact Name - Person USPC should contact regarding this data

John Stewart

<D35> Contact Telephone Number - Number of person identified in data line <D3>

3033532211 ext.

<D38> Contact Email Address - Email Address of person identified in data line <D3>

john.stewart@scrm.com

<D4> [Redacted]

<D44> [Redacted]

<D45> [Redacted]

<D46> [Redacted]

<D47> [Redacted]

<D48> [Redacted]

<D49> [Redacted]

<D50> [Redacted]

[Redacted]

Name of Attached Document

Name of Attached Document

REDACTED FOR PUBLIC INSPECTION

Data Collection Form

FOI# 481
OMB Control No. 3060-0668
JUN 2013

<01> Study Area Code 472226

<01> Study Area Name KNOXVILLE TEL. EXCH. INC. - 19

<02> Program Year 2017

<03> Contact Name - Person US/Could contact regarding this data John Stewart

<03> Contact Telephone Number - Number of person identified in data file <03> 303333711 ext.

<03> Contact Email Address - Email Address of person identified in data file <03> john.stewart@knexco.com

**** Y68

47222610510.pdf

Data Collection Form

ROC Form 491
OMB Control No. 3080-0086/OMB Control No. 3080-0080
0002018

<101>	Study Area Code	472226
<105>	Study Area Name	NORWALK TEL. EXCH. INC. - 10
<102>	Program Year	2017
<103>	Contact Name - Person US-C should contact regarding this data	John Stuart
<104>	Contact Telephone Number - Number of person identified in data line <103>	303313111 ext.
<105>	Contact Email Address - Email Address of person identified in data line <103>	john.stuart@norwalk.com

<1000> Voice services rate comparability certification

Yes

<1010> Attach detailed description for voice services rate comparability compliance

472226101010.pdf

Name of Attached Document

Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1020> Broadband comparability certification

<1030> Attach detailed description for broadband comparability compliance

472226101030.pdf

Name of Attached Document

(3100) No. Terrestrial Backhaul Reporting
Data Collection Form

FC Form 487
OMB Control No. 3080-0382 EMB CONTROL REQUIREMENTS
10/2018

<010>	Study Area Code	472216
<015>	Study Area Name	HOVANA TEL. EXCH. INC. - 10
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	John Stewart
<035>	Contact Telephone Number - Number of person identified in data line <030>	2023532211 ext.
<038>	Contact Email Address - Email Address of person identified in data line <030>	john.stewart@hvc.com

<100> Certify whether terrestrial backhaul options exist (Y/N)

Yes

<130> 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).

(1200) Terms and Conditions for Lifeline Customers
 Lifeline
 Data Collection Form

FOI Form 451
 Call Center No. 800-096-0043 (Required)
 3/10/2013

<010> Study Area Code 412216

<015> Study Area Name NEWARK TEL. EXCH. INC. - NJ

<020> Program Year 2012

<030> Contact Name - Person US/C should contact regarding this data John Stewart

<035> Contact Telephone Number - Number of person identified in data line <030> 201353211 ext.

<038> Contact Email Address- Email Address of person identified in data line <030> john.stewart@verizon.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

412216

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:

- <1201> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers.
- <1202> Details on the number of minutes provided as part of the plan.
- <1203> Additional charges for toll calls, and rates for each such plan.

REDACTED FOR PUBLIC INSPECTION

(g) Fill Out Entire Additional Documentation
 Data Collection Form
 Including Field of Form Connected With Prime Org Local Exchange Centers
 Form 491
 OMB Control No. 3000-0082 (All covered components)
 12/2018

412226	STUDY AREA CODE
KISWALE TEL. EXCH., INC. - IO	STUDY AREA NAME
2017	PROGRAM YEAR
John Bessert	CONTACT NAME - PERSON US/COUNTRY CONTACT REGARDING THIS DATA
20352271 ext.	CONTACT TELEPHONE NUMBER - NUMBER OF PERSON IDENTIFIED IN DATA LINE <30>
john.bessert@kiswale.com	CONTACT EMAIL ADDRESS - EMAIL ADDRESS OF PERSON IDENTIFIED IN DATA LINE <30>

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of incremental High Cost support, High Cost support to offset access charge reductions, and Connected 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 Connected America Phase I reporting

2010 2nd Year Certification 47 CFR 54.313(b)(1)(ii). Note that for the July 1

2016 certification, this applies to Found 2 recipient(s) of incremental

Support

2011 3rd Year Certification 47 CFR 54.313(b)(1)(ii). Note that for the July 1

2016 certification, this applies to Found 1 recipient(s) of incremental

Support

2022 Recipient certifies, representing year two after filing a notice of

acceptance of funding pursuant to 54.312(c), that the locations in

question are not receiving support under the Broadband Initiatives

Program or the Broadband Technology Opportunities Program for

projects that will provide broadband with speeds of at least 4

Mbps/1Mbps - 54.313(b)(2)(i). Found 2 recipients only.

2023 The attachment on line 2024 includes a statement of the total amount of

capital funding expended in the previous year in meeting Connect

America Phase I deployment obligations, accompanied by a list of census

blocks indicating where funding was spent. This covers year two -

54.313(b)(2)(ii). Found 2 recipients only.

2024 Found 2 Recipient of incremental Support ?

2024B Attach list of census blocks indicating where funding was spent in year

two - 54.313(b)(2)(ii). Found 2 recipients only.

2025A Found 1 or Found 2 Recipient of incremental Support ?

2025B Attach geocoded information for Phase I milestones reports (Found 1 for

year three and Found 2 for year two) - Connect America Fund, WC

Docket 10-90, Report and Order, FCC 13-

2015 2016 and future Frozen Support Certification 47 CFR 54.313(c)(4)

Name of Attached Document Listing

Required Information

[Redacted]

Name of Attached Document Listing

Required Information

[Redacted]

[Redacted]

(4005) Rural Broadband Experiment Additional Documentation Data Certification Form	FCC Form 481 CMB Control No. 3060-0988/CMB Control No. 3060-0919 July 2015
---	--

<010>	Study Area Code	472226
<015>	Study Area Name	MIDVALE TEL. EXCH. INC. - ID
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	John Stuart
<035>	Contact Telephone Number - Number of person identified in data line <030>	703552711 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	john.stuart@tccn.com

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (FBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All FBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. FBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

4004a. Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

Name of Attached Document Listing Required Information

4004b. Attach evidence demonstrating that the

Officer - Agent / Clerk
Date Collection Run
FBI Form 47
Q130 (Rev. 11-80) 5010-108-0100-9000-00000000
4/20/2013

<id> Study Area Date 4/22/2013
<id> Study Area Name MIDVALE TEL. SURV. INC. - 10
<id> Program Year 2011
<id> Contact Name - Person USCA would contact regarding this data JALB STEWART
<id> Contact Telephone Number - Number of person identified in data by <id> 3033532311 ext.
<id> Contact Email Address - Email Address of person identified in data by <id> jalb.stewart@midvale.com

TO BE COMPLETED BY THE REPORTING OFFICER IF AN AGENT IS FILING ANNUAL REPORT ON THE OFFICER'S BEHALF:

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 regarding requirements provided to the authorized report, and, to the best of my knowledge, the reports and data provided to the authorized report is accurate.

Name of Reporting Officer: _____ Date: _____
Signature of Authorized Officer: _____
Printed name of Authorized Officer: _____
Title or position of Authorized Officer: _____
Telephone number of Authorized Officer: _____
Study Area Code of Reporting Carrier: _____ Filing Date for this form: _____
Persons with any outstanding delinquencies on their record can be pursued by the or Institute under the Comprehensive Act of 1994, 47 USC §§ 502, 503(a), or the or Department under Title 18 of the United States Code, 18 USC § 1027.

TO BE COMPLETED BY THE AUTHORIZED AGENT:

I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal coverage 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 (FBI): _____
Signature of Authorized Agent or Employee of Agent: _____ Date: _____
Name of Authorized Agent Employee: _____
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 Date for this form: _____
Persons with any outstanding delinquencies on their record can be pursued by the or Institute under the Comprehensive Act of 1994, 47 USC §§ 502, 503(a), or the or Department under Title 18 of the United States Code, 18 USC § 1027.

REDACTED FOR PUBLIC INSPECTION

Attachments

REDACTED FOR PUBLIC INSPECTION

LINE 112 – Five Year Service Quality Improvement Progress Report

REDACTED FOR PUBLIC INSPECTION

REDACTED FOR PUBLIC INSPECTION

Arizona Service Quality Standards and Consumer Protection Rules Compliance

Midvale Telephone understands and complies with the Arizona Corporation Commission's *Telephone Customer Relations Rules*, Arizona Administrative Code Title 14, Chapter 2, Article 500 - 510, adopted under the general legal authority of the Public Utilities Law, Title 40, Arizona Code, and the Telecommunications Act of 1988, with regards to service. These telephone customer relations rules provide a set of fair, just, reasonable, and non-discriminatory rules regarding deposits, guarantees, billing, application for service, denial of service, termination of service, complaints to telephone companies, billing for interrupted service, and provisions of certain information about customer to authorities.

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Functionality in Emergency Situations

Pursuant to 47 C.F.R. § 54.313(a)(6) and/or 47 C.F.R § 54.422(b)(4) as set forth in 47 C.F.R. 54.202 (a)(2). Midvale Telephone meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Midvale Telephone's central and or remote office(s) by use of fixed generator and batteries that provide it with a minimum of 24 hours of emergency power service. In addition, Midvale Telephone's field electronics have a minimum of 24 hours of back-up power by use of fixed/mobile generators and batteries. Midvale Telephone also has SONET technology in its network that allows for self-healing network should a fiber cut occur in its core network and will automatically reroute traffic. Midvale Telephone also has 2 redundant paths within its network to provide for the capability to reroute traffic. Midvale Telephone has equipped its remote offices with Emergency Stand Alone technology that will provide for call completion and access to 911 in emergency situations. Midvale Telephone is capable of managing traffic spikes resulting from emergency situations.

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Response to Line 1000
MTE Communications
Study Area 452226

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) MTE Communications (MTE) is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$46.96 as specified in Public Notice DA 14-384 issued on March 20, 2014. MTE's current total local end-user rate¹ of \$22.65 is not above the standard deviation as specified in the USF/ICC Transformation Order.²

¹ Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

² USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) "The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average."

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Response to Line 1030
Midvale Telephone Exchange
Study Area

Broadband Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (11) Midvale Telephone Exchange ("MTE") charges a residential rate of \$64.95 for broadband providing 10 Mbps download, 1 Mbps upload, and an unlimited usage allowance. This rate is lower than \$75.20, which is the 2016 reasonable comparability benchmark for the same offering established by the Wireline Competition Bureau.¹

¹ *Wireline Competition Bureau Announces Results of 2016 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, Public Notice, WC Docket No. 10-90, DA 16-362 (rel. April 6, 2016).

Midvale Telephone Company
 Arizona Corporation Commission

 Tariff Number 2

 Original Sheet Number: 62

IV. LIFELINE

A. GENERAL

Applicable to qualifying low-income subscribers to single party residential service of the Company.

B. RATES

1. Baseline Lifeline is a reduction or credit in the local service charges normally paid by qualifying low-income consumers. The reduction to the normal residential one-party rates are as follows:

<u>Residential Access Lines</u>	<u>Monthly Credit or Discount</u>
Federal Baseline Lifeline Reduction	\$9.25

These reductions or credits are from the normal residential one-party service subscribed to by the consumer. The Federal baseline lifeline reduction shall be used to waive the consumer's Federal End-User Common Line Charge or Subscriber Line Charge.

In no case will the discount exceed the rate charged for the service subscribed to by each individual.

Issued April 6, 2012 Docket Number T-20741A-10-0207 Decision Number 72728 Issued by Midvale Telephone Company By: Steve Child	Effective: May 6, 2012
APPROVED FOR FILING <small>FILED</small> DECISION # 72728	

Midvale Telephone Company
Arizona Corporation Commission

Tariff Number 2

Original Sheet Number: 63

IV. LIFELINE, CONTINUED

B. RATES, CONTINUED

1. The following services are included:
 - a. Voice-grade access to the Public Switched Network
 - b. Access to emergency services
 - c. Toll Blocking

C. ELIGIBILITY REQUIREMENTS

1. An applicant must meet all of the following criteria in order to qualify for Lifeline Service:
 - a. The consumer must participate in one of the following programs:
 - 1) Food stamps
 - 2) Supplemental Security Income (SSI)
 - 3) Federal public housing assistance
 - 4) Temporary Assistance to Needy Families (TANF)
 - 5) State Children's Health Insurance Plan or Kidscare
 - 6) National School Lunch Program
 - 7) Low income Home Energy Assistance Program within the past 12 months
 - b. The customer must sign under penalty of perjury, a document certifying:

Issued April 6, 2012
Docket Number T-20741A-10-0207
Decision Number 72728
Issued by Midvale Telephone Company
By: Steve Child

Effective: May 6, 2012

APPROVED FOR FILING
DECISION # 72728

Midvale Telephone Company

Arizona Corporation Commission

Tariff Number 2

Original Sheet Number: 64

IV. LIFELINE, CONTINUED

C. ELIGIBILITY REQUIREMENTS, CONTINUED

- 1) S/he is receiving benefits from one of the programs listed above (C.1.a).
- 2) The name of the program from which they are receiving benefits
- 3) That s/he will notify the company if s/he no longer participates in the program named in b. preceding.

c. The customer must be recertified annually by the appropriate state agency.

The company reserves the right to periodically verify a customer's eligibility with the appropriate State Agency.

- d. The premises at which the residential service is requested is the applicant's principle place of residence.
 - e. There is only one telephone line serving the residential premises eligible for the credit. The residential premises shall consist of that portion of an individual house or building or one flat or apartment occupied by a single family or individuals functioning as one domestic unit.
2. Lifeline will not be furnished on a Foreign Exchange (FX) basis.
 3. Lifeline service shall not be disconnected for non-payment of toll charges.
 4. If the consumer chooses "toll blocking", the company will not charge a service deposit. No toll blocking charges will be assessed to Lifeline subscribers.
 5. Partial payments from subscribers will first be applied to local service charges and then to any outstanding toll charges.

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Arizona Corporation Commission

Tariff Number 2

Original Sheet Number: 65

IV. LIFELINE, CONTINUED

D. REGULATIONS

1. The Telephone Assistance Program credit will begin with the next billing cycle following the date the Company receives notification of customer qualification.
2. The regular service connection charge, move and change charge, and regulations applicable to the service offerings specified in the tariff will apply. The service connection charge and move and change charge to change to or from this program due to eligibility status will be waived.
3. The lifeline credit will be subject to the following restrictions:
 - a. Applicant must be head of household or person whose name the property or rental agreement resides.
 - b. Lifeline credit will only be provided to the applicant's principle residence.
 - c. The credit will only be applicable for one single residential access line.
4. The Company will offer Lifeline assistance only during such periods as reimbursement of the discount is available to the Company from Federal and/or State revenue sources.

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REDACTED FOR PUBLIC INSPECTION

LINE 3017- RUS Annual Report

REDACTED FOR PUBLIC INSPECTION

CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

According to the Paperwork Reduction Project (15-06-001), you are not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq and subject to federal laws and regulations regarding confidential information. will be treated as confidential</i> BORROWER NAME Midvale Telephone Company	
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INSTRUCTIONS-Submit report to RUS within 30 days after close of the period For detailed instructions, see RUS Bulletin 1744-2 Report in whole dollars only.	PERIOD ENDING December, 2015	BORROWER DESIGNATION ID0518
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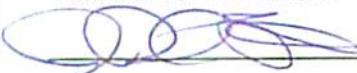
CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII
(Check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects
 There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

 3-31-16
 DATE

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1 Cash and Equivalents	1,378,208	2,113,141	25 Accounts Payable	1,528,616	1,076,775
2 Cash-RUS Construction Fund	69,161	3	26 Notes Payable		
3 Affiliates:			27 Advance Billings and Payments	137,160	145,027
a Telecom Accounts Receivable	289,717	267,278	28 Customer Deposits	(79)	71
b Other Accounts Receivable	1,177,280	921,265	29 Current Mat. L/T Debt	999,457	859,089
c Notes Receivable			30 Current Mat L/T Debt-Rur. Dev.		
4 Non-Affiliates:			31 Current Mat -Capital Leases		38,551
a Telecom Accounts Receivable			32 Income Taxes Accrued		
b Other Accounts Receivable	114,089	187,964	33 Other Taxes Accrued		
c Notes Receivable			34 Other Current Liabilities		
5 Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)	2,665,154	2,119,513
6 Material-Regulated	360,947	270,145	LONG-TERM DEBT		
7 Material-Nonregulated			36. Funded Debt-RUS Notes	9,697,091	9,566,911
8 Prepayments	204,190	192,725	37. Funded Debt-RTB Notes		
9 Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)	3,593,592	3,952,521	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11 Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a Rural Development			42. Reacquired Debt		
b Nonrural Development	2,452,375	2,331,255	43. Obligations Under Capital Lease		17,156
12 Other Investments			44. Adv. From Affiliated Companies		
a Rural Development	89,143	89,143	45. Other Long-Term Debt		
b Nonrural Development			46. Total Long-Term Debt (36 thru 45)	9,697,091	9,584,067
13 Nonregulated Investments	60,825	60,825	OTHER LIAB. & DEF. CREDITS		
14 Other Noncurrent Assets			47. Other Long-Term Liabilities	244,708	0
15 Deferred Charges			48. Other Deferred Credits		
16 Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	2,602,343	2,481,223	50. Total Other Liabilities and Deferred Credits (47 thru 49)	244,708	0
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18 Telecom Plant-in-Service	38,852,138	42,064,485	51. Cap. Stock Outstand. & Subscribed	32,910	32,910
19 Property Held for Future Use	121,533	121,533	52. Additional Paid-in-Capital		
20 Plant Under Construction	2,325,188	176,494	53. Treasury Stock		
21 Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22 Less Accumulated Depreciation	23,824,191	25,784,706	55. Other Capital		
23. Net Plant (18 thru 21 less 22)	17,474,668	16,577,806	56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	11,030,740	11,275,060
	23,670,603	23,011,550	58. Total Equity (51 thru 57)	11,063,650	11,307,970
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	23,670,603	23,011,550

Total Equity = 49.14% % of Total Assets

CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL
COMMUNICATIONS COMMISSION

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		ID0518	
		PERIOD ENDING December, 2015	
INSTRUCTIONS- See RUS Bulletin 1744-2			
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM	PRIOR YEAR	THIS YEAR	
1. Local Network Services Revenues	720,931	729,563	
2. Network Access Services Revenues	9,318,014	9,558,490	
3. Long Distance Network Services Revenues	161,165	285,114	
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues	102,439	26,048	
6. Uncollectible Revenues	308	1,185	
7. Not Operating Revenues (1 thru 6 less 6)	10,302,241	10,598,030	
8. Plant Specific Operations Expense	4,603,258	4,422,751	
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	237,168	304,948	
10. Depreciation Expense	2,286,074	2,123,504	
11. Amortization Expense			
12. Customer Operations Expense	237,006	269,889	
13. Corporate Operations Expense	1,283,489	1,225,215	
14. Total Operating Expenses (8 thru 13)	8,646,995	8,346,307	
15. Operating Income or Margins (7 less 14)	1,655,246	2,251,723	
16. Other Operating Income and Expenses	(146,384)	(135,366)	
17. State and Local Taxes	267,330	254,493	
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)	267,330	254,493	
21. Net Operating Income or Margins (15+16-20)	1,241,532	1,861,864	
22. Interest on Funded Debt	542,909	519,497	
23. Interest Expense - Capital Leases			
24. Other Interest Expense	12,684	(23,880)	
25. Allowance for Funds Used During Construction		18,512	
26. Total Fixed Charges (22+23+24-25)	555,593	477,105	
27. Nonoperating Net Income	514,981	149,113	
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income	(217,837)	(298,552)	
31. Total Net Income or Margins (21+27+28+29+30-26)	983,083	1,235,320	
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year	10,247,657	11,030,740	
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)	200,000	991,000	
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period ((31+33+34) - (35+36+37+38))	11,030,740	11,275,060	
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)	0	0	
44. Annual Debt Service Payments	1,944,129	1,687,432	
45. Cash Ratio ((14+20-10-11) / 7)	0.6434	0.6112	
46. Operating Accrual Ratio ((14+20+26) / 7)	0.9192	0.8566	
47. TIER ((31+26) / 26)	2.7694	3.5892	
48. DSCR ((31+26+10+11) / 44)	1.9673	2.2732	

CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL
COMMUNICATIONS COMMISSION

USDA-RUS		BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		ID0518
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2015
PART I – STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		1,447,369
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		1,235,320
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		2,123,504
4. Add: Amortization		0
5. Other (Explain) Non- Reg Depreciation		219,030
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		204,579
7. Decrease/(Increase) in Materials and Inventory		90,802
8. Decrease/(Increase) in Prepayments and Deferred Charges		11,465
9. Decrease/(Increase) in Other Current Assets		0
10. Increase/(Decrease) in Accounts Payable		(451,841)
11. Increase/(Decrease) in Advance Billings & Payments		7,867
12. Increase/(Decrease) in Other Current Liabilities		0
13. Net Cash Provided/(Used) by Operations		3,440,726
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		0
15. Increase/(Decrease) in Notes Payable		0
16. Increase/(Decrease) in Customer Deposits		150
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		(214,841)
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		(244,708)
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		0
20. Less: Payment of Dividends		(991,000)
21. Less: Patronage Capital Credits Retired		0
22. Other (Explain)		
23. Net Cash Provided/(Used) by Financing Activities		(1,450,399)
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		(1,063,653)
25. Other Long-Term Investments		121,120
26. Other Noncurrent Assets & Jurisdictional Differences		0
27. Other (Explain) additional capital expenditure		(382,019)
28. Net Cash Provided/(Used) by Investing Activities		(1,324,552)
29. Net Increase/(Decrease) in Cash		665,775
30. Ending Cash		2,113,144

Revision Date 2010

<p>USDA-RUS</p> <p>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	<p>BORROWER DESIGNATION</p> <p>ID0518</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p>December, 2015</p>
<p>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	

CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL
COMMUNICATIONS COMMISSION

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION ID0518
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

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