Annual 47 C.F.R. § 54.202(a) Five-Year Service Quality Improvement Plan

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Date filed: June 22, 2015

Name of company: The Toledo Telephone Company, Inc.

Form 481 SAC: 522447

Name of signatory: Dale Merten

Title of signatory: Chief Operating Officer

The Toledo Telephone Company, Inc. (company) serves approximately 386 square miles in rural western Washington. We have a customer base of approximately 1500 landline subscribers with a total of 1800 actual lines. Of those 1500 individual customers, 1364 also subscribe to broadband. 100% of our customer base is currently eligible to receive broadband with speeds up to 5mb download.

The company began a complete fiber optic upgrade to the existing 40 year old copper network in 2012. The upgrade is funded by an \$18 million USDA/RUS loan. Every household and business within our service area will receive a dedicated fiber optic connection capable of delivering voice, video and data, with speeds up to 1 gigabit. The company currently provides gigabit connectivity to the local anchor institutions including schools, library, EMS and local government. We plan to have the project completed by year-end 2016.

(114) During 2014, the company received \$1,749,012.00 in HCL and ICLS disbursements from USAC. These dollars were primarily utilized to help pay the cost of our fiber upgrade project. (115) & (116) Over 50% of subscribers have now been upgraded to fiber facilities that had been on some of our oldest and poorest quality copper facilities. These customers are now eligible to receive up to one gigabit internet speeds. The new fiber improved voice quality, reliability and provides gigabit capacity for broadband. (117) USF continues to provide essential funding to improve service capacity and allows the company to upgrade an outdated copper network to a high quality fiber optic network.

(118) There were no network improvement targets that were not met during 2014.

The Toledo Telephone Company, Inc.

Signed He Worth

Dale Merten