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

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Date filed: June 27, 2016

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 1 Gigabit symmetrical.

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 has received 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. Our original plan was to have the project completed by year-end 2017. However, we were able to complete the entire project by January 1, 2016. 100% of the homes and businesses in our study area are now able to obtain gigabit data and voice via fiber optic cable.

(114) During 2016, the company received \$1,271,573.00 in HCL and ICLS disbursements from USAC. These dollars were primarily utilized to help pay the cost of our fiber upgrade project. (115) & (116) 100% of our subscribers have now been upgraded to fiber facilities. 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 repay USDA/RUS for the cost of the fiber upgrade project.

(118) There were no network improvement targets that were not met during 2015.

Signed the Herts

Dale Merten

The Toledo Telephone Company, Inc.