

Hat Island Telephone Company FCC Form 481 (July, 2019), Line 610 Statement Describing Ability to Function in Emergency Situations Per Instructions for Completing FCC Form 481

SUMMARY

Hat Island Telephone Company (the "Company") has a long-standing tradition of providing reliable voice telephony services. It is the Company's policy and standard operating procedure to bury all of its local distribution cable and wire. The Company operates a primary local distribution and transmission node that is equipped with back-up power generation. In regard to the Company's overall network design, the Company's practices are consistent with Rural Utility Service ("RUS") telecommunications industry best practices.

The Company obtains certain functionality and support from its affiliate, Whidbey Telephone Company. Together, they operate and maintain transport transmission equipment that serves the Company's service area and that is of the highest grade. Equipment specifications, which are consistent with the RUS specifications, require both redundant power and redundant circuit interfaces. All of the Company's transport equipment, as well as the transport and switching equipment that serves the Company's service area and is operated by Whidbey Telephone Company, is monitored 7x24x365(366) by trained staff located at Whidbey Telephone Company's network operations center.

NETWORK REDUNDANCY

The Company is a provider of voice telephony services to the Hat Island Exchange. The service area of the Company's Hat Island Exchange comprises less than one (1) square mile. It is connected by submarine cable to a neighboring exchange operated by Whidbey Telephone Company, which provides local distribution connectivity, switching and transmission utilizing its facilities. A description of those facilities and of Whidbey Telephone Company's policies and procedures relating to its ability to function in emergency situations is set forth in its response to Line 610 of its FCC Form 481 that is being filed contemporaneously herewith. To the extent relevant, that description is incorporated herein by this reference.

BACK-UP POWER

The Company maintains at its principal local distribution and transmission node a power plant with batteries capable of carrying the power load for a number of hours with the load typically transitioning more immediately to a generator back-up power generation. In addition, the Company has installed back-up power generation at that node, utilizing an 8kw generator, together with a dedicated fuel tank onsite designed to carry the power load multiple days. The site is equipped with an automatic transfer switch and has monitoring equipment that provides monitoring visibility with respect to loss of external commercial power and transfer switch status. Upon recognition of loss of the commercial power source, the automatic transfer switch is designed to automatically start the back-up generator and transfer the selected power source.

Alarm messages are automatically reported to key personnel, as well as to Whidbey Telephone Company's 7x24x365(366) network operations center.

Whidbey Telephone Company has in-house staff available to support the Company's operations and trained to perform all maintenance of the power plant, as well as third-party services available for support.

FCC FORM 481 (JULY 2019), LINE 1010 Descriptive Document for Compliance of Pricing of Fixed Voice Services with Required Relationship To Applicable National Average Urban Rate for Voice Service Benchmark, as required by 47 C.F.R. § 54.313 (a)(10) Per Instructions for Completing FCC Form 481

Section 54.313 (a)(10) of the rules of the Federal Communications Commission ("FCC") requires any recipient of high-cost support, such as Hat Island Telephone Company ("Company"), annually to certify that the pricing of the Company's voice services is no more than two standard deviations above the applicable national average urban rate for voice service, as specified in the most recent public notice issued by the Wireline Competition Bureau and Wireless Telecommunications Bureau.

The most recent such notice issued by the Wireline Competition Bureau is Public Notice DA 18-1280, released December 20, 2018, in WC Docket No. 10-90 ("Public Notice"). That public notice includes the following statements, "Based on the survey results, the 2019 rate floor for voice services is \$26.98, [footnote omitted] and the reasonable comparability benchmark for voice services is \$51.61. [footnote omitted]...In addition, each ETC, including competitive ETCs providing fixed voice services, [footnote omitted] must certify in the FCC Form 481 filed no later than July 1, 2019, that the pricing for its basic residential voice services is no more than \$51.61. [footnote omitted]" [Italics added.]

It is the Company's understanding that the above-mentioned comparability benchmark includes the recurring residential service rate, any applicable State subscriber Line charge rate, any applicable State universal service fund rate, any applicable minimum mandatory Extended Area Service rate, and any applicable Federal subscriber line charge rate.¹

¹ See Note 5 on the "Data Dictionary" tab of the [2016 URS Voice Data.xlsx] located from the FCC webpage having the following URL:

Those components for the Company's basic residential voice telephone service as of June 1, 2019, are as follows:

Recurring residential service rate	\$ 18.00
State subscriber line charge rate	0.00
State universal service fund rate	0.00
Minimum mandatory EAS rate	0.00
Federal subscriber line charge	6.50
	Total \$ 24.50

The sum of the above-identified rates (\$24.50) is not more than the voice service comparability benchmark identified in the Public Notice (\$51.61).

FCC FORM 481 (July 2019), Line 1030
Descriptive Document for Compliance of Pricing of
Broadband Services with Required Relationship
To Applicable National Average Urban Rate for Broadband
Service Benchmark, as required by 47 C.F.R. § 54.313(a)(12)
Per Instructions for Completing FCC Form 481

Section 54.313(a)(12) of the rules of the Federal Communications Commission ("FCC") requires any recipient of high-cost support, such as Hat Island Telephone Company ("Company"), annually to certify that the pricing of a service that meets the Commission's broadband public interest obligations is no more than the applicable benchmark to be announced annually in a public notice issued by the Wireline Competition Bureau, or is no more than the non-promotional price charged for a comparable fixed wireline service in urban areas in the states of U.S. Territories where the eligible telecommunications carrier receives support.

The most recent such notice issued by Wireline Competition Bureau is Public Notice DA-18-1280, released December 20, 2018, in WC Docket No. 10-90 ("Public Notice"). That public notice includes the following: "Under the approach adopted by the Bureau in 2014, the reasonable comparability broadband benchmark varies, depending upon the supported services download and upload bandwidths and usage allowance. [footnote omitted]"

The Public Notice includes a table showing the "benchmark" rate for certain broadband service offerings and provides a URL link to an FCC webpage at which a tool to calculate "benchmarks" for other broadband service offerings may be found. The following table summarizes the broadband service plans offered to consumers by the Company and the associated "benchmark," as determined from the Public Notice or the "tool" to which it refers:

Download Speed (Mbps) (up to)	Upload Speed (Mbps) (up to)	Usage Allowance	Benchmark	Company Pricing
10	3	Unlimited	\$78.57	\$ 43.00
20	3	Unlimited	\$82.62	\$ 50.00
30	3	Unlimited	\$82.63	\$ 60.00
30	10	Unlimited	\$83.64	\$ 70.00
50	10	Unlimited	\$101.02	\$ 80.00
50	20	Unlimited	\$100.06	\$ 90.00
1000	1000	Unlimited	145.96	\$ 70.00

As shown in the above table, each of the broadband service plans offered to consumers by the Company, for which, "benchmark" rates are available, is offered at a price that is below the applicable "benchmark."

HAT ISLAND TELEPHONE COMPANY

July 1, 2019

Ms. Marlene H. Dortch, Secretary Federal Communication Commission Office of the Secretary 4556 12th Street, SW Washington, DC 20554

RE: WC Docket No. 10-90 and 14-58 -

Annual Report Due July 1, 2019, FCC Form 481 for Rate of Return Carriers Receiving High-Cost Support 47 C.F.R. § 54.313(f)(1)(i) "Public Interest Certification"

Dear Ms. Dortch:

In compliance with the filing requirements associated with FCC Form 481 due July 1, 2019, and in compliance with Section 53.313(f)(1)(i) of the Commission's rules, Hat Island Telephone Company (Study Area 522452) Herby certifies that it has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 25 Mbps downstream/3 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable offerings in urban areas, and the requests for such service were met within a reasonable amount of time.

Sincerely,

HAT ISLAND TELEPHONE COMPANY

Gary Ricketts

Secretary /Treasurer

(3005 Balan	(3005a) Operating Report for Privately-Held Rate of Return Carriers Balance Sheet - Data Collection Form			OMB OMB	FCC Form 481 OMB Control No. 3060-0986		
Page 1 of 3	1 of 3			July 2013	013		
<010				<010>	minnener"	7	
<015>	Study Area Name			<020>	> Hat Island Telephone Company 2020		
<030>	> Contact Name - Person USAC should contact regarding this data			<030>	Gary Ricketts	ALL ALL AND ALL ALL AND ALL ALL ALL ALL ALL ALL ALL ALL ALL AL	
<035>	 Contact Telephone Number - Number of person identified in data line <030> Contact Telephone Email Address - Email Address of person identified in data line <030> 	ntified in data lin	e <030>	<035>	> <u>360-321-0051</u> > <u>gary_ricketts@whidbeytel.com</u>		
	Files as reviewed single company				٦		
	Filed as reviewed consolidated company				Filed as audited consolidated company		
	Filed as subsidiary of reviewed consolidated company	company			Filed as subsidiary of audited consolidated company		
Ne he	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.	ne accounts and	CERTIFICATION other records of the syste	ICATIC the sys	IN Nem and reflect the status of the system to the best of our knowl	edge and belief.	
	Car Kur		6/28/19				
	Signature		Date PART A RAI ANCE SHEET	ANCE	SHEET.		
	ACCETC	BALANCE PRIOR YEAR	BALANCE END		LIARII TIES AND STOCKHOI DERS' FOLLITY	BALANCE PRIOR YEAR	BALANCE END
CURR	1 1				CURRENT LIABILITIES		
۱.	Cash-RUS Construction Fund	76/61	43392	26.	Notes Pavable	959	4168
ω	Affiliates:			27.	Advance Billings and Payments		
	a. Telecom, Accounts Receivable	163450	100571	28.	Customer Deposits	1556	1458
	c. Notes Receivable				Current Mat. L/T Debt-Rur. Dev.		
4.	Non-Affiliates:			31.	Current MatCapital Leases		
	a. Telecom, Accounts Receivable b. Other Accounts Receivable	887	3510	33.	Other Taxes Accrued	3069	3136
	c. Notes Receivable			34.	Other Current Liabilities		
s.	Interest and Dividends Receivable			35.	Total Current Liabilities (25 thru 34)	5281	8762
6.	Material-Regulated			LONG	LONG-TERM DEBT		
×	Prenayments			36.	Funded Debt-RTR Notes		
9 9	Other Current Assets			38.	Funded Debt-FFB Notes		
10.	Total Current Assets (1 Thru 9)	184129	155476		Funded Debt-Other		
	TIPPENT ACCETS			40.	Funded Debt-Rural Develop. Loan		
11	11. Investment in Affiliated Companies			42.	Reacquired Debt		
	a. Rural Development			43.	Obligations Under Capital Lease		
3	b. Nonrural Development			44.	Adv. From Affiliated Companies		
17.	a. Rural Development			46.	Total Long-Term Debt (36 thru 45)	0	0
	b. Nonrural Development			ОТНЕ	OTHER LIAB. & DEF. CREDITS		
13.	Nonregulated Investments			47.	Other Long-Term Liabilities		
14.	Other Noncurrent Assets			48.	Other Deferred Credits	1545	1618
16.	Jurisdictional Differences			50.	Total Other Liabilities and Deferred Credits (47 thru 49)	1545	1618
17.	Total Noncurrent Assets (11 thru 16)	0	0	EQUITY	TY		
				51.	Cap. Stock Outstanding & Subscribed	4000	4000
NAM	PLANT, PROPERTY, AND EQUIPMENT	778516	721287		Treasury Stock		
19	Property Held for Future Use	010074	401007	54	Membership and Cap. Certificates		
20.	Plant Under Construction			55.	Other Capital		The state of the s
21.	Plant Adj., Nonop. Plant & Goodwill	200		_	Patronage Capital Credits		
23	Net Plant (18 thru 21 jess 22)	90645	80321	58	Total Fouity (51 thru 57)	267948	225417
	(20 000 0 02 000	00010	0001		rdair) (22 miles		
24.	TOTAL ASSETS (10+17+23)	274774	235797	59.	TOTAL LIABILITIES AND EQUITY (35+46+50+58)	274774	235797

(3005b) Operating Report for Privately-Held Rate of Return Carriers Balance Sheet - Data Collection Form Page 2 of 3

<010> Study Area Code
<011>> Study Area Name
<020> Program Year
<020> Program Year
<030> Contact Name - Person USAC should contact regarding this data
<035> Contact Telephone Number - Number of person identified in data line <030>
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

FCC Form 481 OMB Control No. 3060-0986 July 2013

<010> <u>522417</u>
 <015> <u>Hat Island Telephone Company</u>
 <020> <u>2020</u>
 <030> <u>Gary Ricketts</u>
 <035> <u>360-321-0051</u>
 <039> <u>gary ricketts@whidbeytel.com</u>

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Local Network Services Revenues ITEM PRIOR TEAR THOY DAY Local Network Services Revenues 23346 18346 18346 Local Delatine Networks Services Revenues 3346 3346 3346 Local Delatine Networks Services Revenues 2396 3346 <td< td=""><td>0.00</td><td>0.00</td><td>TIER [(31+26)/26]</td><td>47.</td></td<>	0.00	0.00	TIER [(31+26)/26]	47.
IEM	1.59	2.16	Operating Accrual Ratio [[14+20+26]/7]	
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Local Network Services Revenues ITEM PROTECTAR THEY DAY Network Access Services Revenues 27349 18768 18704			Annual Debt Service Payments	
Intel® I		0	Patronage Capital End-of-Year (40+41-42)	ľ
Local Network Services Revenues FIRM PROPERATE Network Services Revenues 37448 Long Distance Networks Services Revenues 37448 Long Distance Networks Services Revenues 37448 Miscellaneous Revenues 1255 Miscellaneous Revenues 1256 Miscellaneous Revenues 1256 Miscellaneous Revenues 1258 Miscellaneous Revenues 1258 Met Departing Expenses 1558 Plant Secrific Operations Expense 1558 Plant Secrific Operations Expense 1558 Plant Secrific Operations Expense 1558 Customer Operations Expense 1559 Customer Operations Expense 1559 Customer Operations Expense 1559 Operating Expense 1559 Customer Operations Expense 2523 Teat of Expense 2527 Teat of Expense			Patronage Capital Credits Retired	
Local Network Services Revenues FIRM PRIORYZAK THSYAA Long Distance Network Services Revenues 37448 37448 Long Distance Network Services Revenues 37448 37448 Miscellinesus Revenues 4749 37448 Miscellinesus Revenues 475 374 Mucoliterable Revenues 475 374 Miscellinesus Revenues 475 375 Mucoliterable Revenues 475 375 Mucoliterable Revenues 475 375 Mucoliterable Revenues 475 375 Macoritation Expense 475 375 Plant Noticeptic Coperation Expense 470 370 Amoritation Expense 470 370 Carporate Operation Expense 470 370 Carporate Operation Expenses 470 470 Capparte Operation Expenses 470 470 Capparte Operation Expenses 470 470 Sate and Local Taxes 470 470 Cother Coperating Expenses 470 470			Transfers to Patronage Capital	41.
Local Network Services Revenues IEM PRIOR EAST THY VAI Network Services Revenues 1898 3748 1897 (Astence Network Services Revenues) 3748 1898 <t< td=""><td></td><td></td><td>Patronage Capital Beginning-of-Year</td><td></td></t<>			Patronage Capital Beginning-of-Year	
Local Network Services Revenues ITEM PRIOR CASE THY VAN Network Services Revenues 3346 1896 1896 Long Distance Network Services Revenues 3446 3446 1896 Lord Distance Network Services Revenues 3946 3446	221417	263948	Retained Earnings or Margins end-of-Period [(31+33+34)-(35+36+37+38)]	
Internation			Transfers to Patronage Capital	38.
Incal Network Services Revenues			Other Debits Year-to-Date	
Local Network Services Revenues ITEM PRIOR YEAR 1187 YEAR Network Access Services Revenues 33446 23456 23456			Dividends Declared (Preferred)	36.
Local Network Services Revenues ITEM PRIOR VEAR 1187 VAA Network Acess Services Revenues 23/42			Dividends Declared (Common)	
Local Network Services Revenues ITEM PRIOR VEAR 1187 VAA Network Access Services Revenues 35376 15876 15876 Carnier Billing and Collection Revenues 25349 25492 Uncellicatible Revenues I thrus Services Revenues 1258 25492 Uncellicatible Revenues I thrus Services Revenues 1258 25500 Uncellicatible Revenues I thrus Services Revenues 15500 25500 Uncellicatible Revenues I thrus Services Revenues 15500 25500 Uncellicatible Revenues I thrus Services Revenues 15668 25500 Uncellicatible Revenues I thrus Services Revenues 15668 25500 Plant Nonspacific Departition Expense 25500 25500 Plant Revenues I thrus Services Revenues I thrus I Services Revenue			Miscellaneous Credits Year-to-Date	
Local Network Services Revenues PHOR FEAR PHOR FEAR THS YEAR Network Services Revenues 15876 15876 15876 Network Services Revenues 3749 15876 25749 Long Distance Network Services Revenues 916 916 916 Miscellaneous Revenues 915 916 916 Miscellaneous Revenues 15768 916 916 Net Operating Revenues (1 thru 5 less 6) 916 15768 916 Plant Specific Operations Expense 15768 916 916 916 917 917 917 917 917 917 918 </td <td>263948</td> <td>316340</td> <td>Retained Earnings or Margins Beginning-of-Year</td> <td></td>	263948	316340	Retained Earnings or Margins Beginning-of-Year	
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Local Network Services Revenues PRIOR VASAS PRIOR VASAS LINYEAR	-42531	-52392	Total Net Income or margins (21+27+28+29+30-26)	31.
Local Network Services Revenues PRIOR VEAR HISTEAN Network Access Services Revenues 33445 14356 Long Distance Network Services Revenues 3445 23445 Carrier Billing and Collection Revenues 4345 445 Miscellaneous Revenues 435 45 Net Operating Beneues 435 45 Plant Specific Operations Expenses 55500 456 Plant Departing Revenues 455 456 Net Operating Revenues 456 456 Plant Monspecific Operations Expense 55500 55500 Plant Departing Revenues 4578 456 Plant Monspecific Operations Expense 7005 55500 Part Monspecific Operations Expense 7005 55500 Customer Operating Expense 7005 505 Coperating Expense 7005 505 Size and Local Expense 3277	7306	11834	Nonregulated Net Income	30.
Local Network Services Revenues PRIOR YEAR HISTEAR Network Access Services Revenues 37445 1886 Long Distance Network Services Revenues 37445 37445 Carrier Billing and Collection Revenues 3916 37445 Uncollectible Revenues 3916 3916 Niscellaneous Revenues 3259 3916 Niscellaneous Revenues 55500 55500 Plant Specific Operations Expense 55500 55500 Part Operating Expenses 55500 55500 Pubriciation Expense 55500 55500 Part Operating Expenses 55500 55500 Cutoring Expenses 15645 55500 Operating Expenses (B thru 13) 5095 5095 Operating Expenses (B thru 13) 5095 5095 Operating Expense			Jurisdictional Differences	29.
Local Network Services Revenues FRAM PHOR VEAR HIS YEAR Network Access Services Revenues 15876 15876 15876 Long Distance Network Services Revenues 25943 15876 15976<			Extraordinary Items	28.
Local Network Services Revenues PROFE TESTS THS YEAR Network Access Services Revenues 15876 THS YEAR Long Distance Network Services Revenues 37449 TESTS Long Distance Network Services Revenues 916 TESTS Long Distance Network Services Revenues 915 TESTS Aniscellaneous Revenues 2916 TESTS Uncollectible Revenues 1259 TESTS Net Operating Revenues 55500 TESTS Plant Specific Operations Expense 55500 TESTS Plant Specific Operations Expense 7005 TESTS Part Instruction Expense 7005 TESTS Customer Operating Expenses (Excluding Depreciation & Amortization & Tests 7005 TESTS Customer Operating Income and Expenses 7005 TESTS TESTS Other Taxes 3277 3277 TESTS Total Oper	3	7	Nonoperating Net Income	
Local Network Services Revenues PROFE TABLE THS YEAR Network Access Services Revenues 37449 15876 Long Distance Network Services Revenues 37449 2004 Long Distance Network Services Revenues 37449 37449 Long Distance Network Services Revenues 37449 37449 Naccess Services Revenues 37449 37449 Long Distance Network Services Revenues 3746 37449 Naccess Services Revenues 3749 37449 Naccess Services Revenues 3749 37449 Naccess Services Revenues 3750 3750 Plant Nonspecific Operations Expense 3705 3705 Customer Operating Expense (Excluding Depleciation & Amortization Sepense 3705 3705 Other Operating Income or Margins (15+16-20) 40798 <td></td> <td>0</td> <td>Total Fixed Charges (22+23+24-25)</td> <td></td>		0	Total Fixed Charges (22+23+24-25)	
Local Network Services Revenues FIRM PRIOR YEAR THS YEAR Network Access Services Revenues 3749 3749 3749 Long Distance Network Services Revenues 3749			Allowance for Funds Used During Construction	
Local Network Services Revenues THM PRIOR YEAR THS YEAR Network Access Services Revenues 37446 15876 Long Distance Network Services Revenues 37449 24874 Long Distance Network Services Revenues 37449 24874 Long Distance Network Services Revenues 2916 2916 Carrier Biling and Collection Revenues 25500 2916 Net Operating Revenues Revenues 25500 25500 Net Operating Revenues (I thru 5 less 6) 25500 25500 Plant Nonspecific Operations Expense 25500 25500 Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization) 25500 25500 Depreciation Expense 7005 25500 25500 Customer Operations Expense 7005 25500 25500 Depreciation Expense 7005 25500			Other Interest Expense	
Local Network Services Revenues PRIORY EAR THSY EAR Network Access Services Revenues 15376 15976 Long Distance Network Services Revenues 37449 15976 Long Distance Network Services Revenues 916 916 Carrier Billing and Collection Revenues 916 916 Miscellaneous Revenues 916 9176 Miscellaneous Revenues 916 9178 Net Operating Revenues (1 thru 5 less 6) 918 9178 Plant Nonspecific Operations Expense 1578 9178 Plant Nonspecific Operations Expense 1578 9178 Customer Operations Expenses 1578 9186 Customer Operations Expenses (Excluding Depreciation & Amortization) 13196 918 Depreciation Expenses (B sthru 13) 13196 918 918 Corporation Expenses (B sthru 13) 15456 <t< td=""><td></td><td></td><td>Interest Expense - Capital Leases</td><td>23.</td></t<>			Interest Expense - Capital Leases	23.
Local Network Services Revenues PRIOR YEAR THS YEAR Network Access Services Revenues 37449 15876 Long Distance Network Services Revenues 37449 37449 Long Distance Network Services Revenues 91.6 4748 Long Distance Network Services Revenues 91.6 4749 Miscellaneous Revenues 91.6 4749 Uncollectible Revenues 91.6 4759 Net Operating Revenues 91.6 4758 Plant Nonspecific Operations Expense 16768 4758 Plant Nonspecific Operations Expense 13196 4758 Customer Operations Expense 13196 4798 Customer Operating Expenses (8 thru 13) 116456 79487 Operating Income or Margins (7 less 14) 46956 46956 Other Operating Income and Expenses 46956 46956 Other Operating Income and Expenses			Interest on Funded Debt	22.
Local Network Services Revenues PRIOR YEAR THS YEAR Network Access Services Revenues 3749 4749 Long Distance Network Services Revenues 915 916 Long Distance Network Services Revenues 915 915 Miscellaneous Revenues 915 1259 Uncollectible Revenues 1259 1259 Uncollectible Revenues (1 thru 5 less 6) 1259 1259 Net Operations Expense 15768 15768 Plant Nonspecific Operations Expense 15768 15768 Plant Specific Operations Expense 15768 15768 Customer Operation Expense 15768 15768 Customer Operations Expense 7005 15768 Corporating Expenses (Excluding Depreciation & Amortization Expenses) 7005 15768 Total Operating Expenses (Excluding Depreciation & Amortization Expenses) 167456 167456 Ot	-4986	-64233	Net Operating Income or Margins (15+16-20)	21.
Local Network Services Revenues PRIOR YEAR THS YEAR Network Access Services Revenues 3749 489 Long Distance Network Services Revenues 3749 3749 Long Distance Network Services Revenues 3916 3749 Long Distance Network Services Revenues 3916 3916 Carrier Billing and Collection Revenues 391 3916 Miscellaneous Revenues 291 391 Uncollectible Revenues 291 391 Net Operating Revenues (1 thru 5 less 6) 391 3500 Plant Specific Operations Expense 55500 35500 Plant Nonspecific Operations Expense 456 35500 Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization) 35500 35500 Depreciation Expense 55500 3650 3650 3650 3650 Curporate Operating Expense (Excluding Depreciation & Amortization) 3650 3650 3650 3650 3650 3650 3650 3650 3650 3650 3650 3650 3650 3650 3650 3650	255	3277	Total Operating Taxes (17+18+19)	20.
Local Network Services Revenues PRIOR YEAR THS YEAR Network Access Services Revenues 37449 37449 Long Distance Network Services Revenues 37449 37449 Long Distance Network Services Revenues 39.6 37449 Long Distance Network Services Revenues 39.6 37449 Miscellaneous Revenues 39.6 37459 Miscellaneous Revenues 1259 37500 Net Operating Revenues (1 thru 5 less 6) 18500 4860 Plant Specific Operations Expense 55500 55500 Net Operating Revenues (1 thru 5 less 6) 16768 4870 Plant Nonspecific Operations Expense 1870 55500 4870 Net Operations Expense (Excluding Depreciation & Amortization Expense 7905 4870	255	3277	Other Taxes	19.
Local Network Services Revenues PRIOR YEAR THS YEAR Network Access Services Revenues 37449 4888 Long Distance Network Services Revenues 37449 37449 Carrier Billing and Collection Revenues 915 916 Miscellaneous Revenues 1259 916 Mactoperating Revenues 15500 916 Net Operating Revenues (1 thru 5 less 6) 15768 15768 Plant Operation Expense 15769 15769 Plant Specific Operations Expense 15769 15769 Plant Poperations Expense 15769 15769 Customer Operations Expense 13196 13196 Customer Operations Expense 7005 79487 Customer Operating Expenses (8 thru 13) 116456 79487 Operating Income on Margins (7 less 14) 60956 60956 Operating Income and Expenses 60956 60956 State and Local Taxes 60956 60956			Federal Income Taxes	
IEM			State and Local Taxes	17.
Local Network Services Revenues PRIOR YEAR THS YEAR Network Access Services Revenues 3749 3749 Long Distance Network Services Revenues 916 3749 Long Distance Network Services Revenues 916 3749 Long Distance Network Services Revenues 916 3749 Miscellaneous Revenues 1259 3749 Uncollectible Revenues 1259 3750 Net Operating Revenues (1 thru 5 less 6) 55500 487 Plant Specific Operations Expense 55500 487 Plant Nonspecific Operations Expense 18768 487 Plant Nonspecific Operations Expense 5705 5705 Plant Nonspecific Operations Expense 5705 5705 Cuptoriation Expense 5705 5705 Cuptoriation Expense 5705 5705 Cuptoriation Expense 79487 79487 Corporate Operating Expenses (8 thru 13) 116456 50596 Operating Income or Margins (7 less 14) 60956 50956	子 () () () () () () () () () (Other Operating Income and Expenses	
Item	-4731	-60956	Operating Income or Margins (7 less 14)	
ICCAIl Network Services Revenues PRIOR YEAR HIS YEAR Local Network Services Revenues 37449 37449 Network Access Services Revenues 37449 37449 Long Distance Network Services Revenues 916 37449 Miscellaneous Revenues 916 37449 Uncollectible Revenues 1259 375 Uncollectible Revenues 1259 375 Uncollectible Revenues 1250 375 Net Operations Expense 35500 375 Plant Specific Operations Expense (Excluding Depreciation & Amortization) 375 375 Depreciation Expense 375 375 375 Corporate Operations Expense 705 705	13139	116456	Total Operating Expenses (8 thru 13)	14.
Local Network Services Revenues PRIOR YEAR THIS YEAR Local Network Services Revenues 3749 3749 Network Access Services Revenues 3749 3749 Long Distance Network Services Revenues 916 916 Carrier Billing and Collection Revenues 915 916 Miscellaneous Revenues 1259 915 Uncollectible Revenues 1259 916 Uncollectible Revenues (1 thru 5 less 6) 5500 916 Net Operations Expense 55500 916 Plant Specific Operations Expense 16768 916 Plant Nonspecific Operations Expense 13196 916 Annortization Expense 13196 918 Customer Operations Expense 7005 7005	9827	79487	Corporate Operations Expense	13.
Intervertee Revenues	71.7	7005	Customer Operations Expense	12.
Intervert Services Revenues			Amortization Expense	
ITEM	1319	13196	Depreciation Expense	10.
Incal Network Services Revenues ITEM PRIOR YEAR THIS YEAR Local Network Services Revenues 3749 374			Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	
ITEM	1280	16768	Plant Specific Operations Expense	çο
ITEM	8408	55500	Net Operating Revenues (1 thru 5 less 6)	7.
Local Network Services Revenues ITEM PRIOR YEAR THIS YEAR Network Services Revenues 3749 3749 Network Access Services Revenues 5916 5916 Long Distance Network Services Revenues 916 5916 Carrier Billing and Collection Revenues 916 3749 Miscellaneous Revenues 1259 3759	32		Uncollectible Revenues	6.
Incal Network Services Revenues ITEM PRIOR YEAR THIS YEAR Network Services Revenues 376 100 Network Access Services Revenues 3749 100 Long Distance Network Services Revenues 915 100	127	1259	Miscellaneous Revenues	5.
Cocal Network Services Revenues TEM	74	916	Carrier Billing and Collection Revenues	4.
Local Network Services Revenues ITEM PRIOR YEAR THIS YEAR Network Access Services Revenues 37449			Long Distance Network Services Revenues	ω
TEM PRIORYEAR THIS YEAR 15876	6828	37449	Network Access Services Revenues	2.
PRIOR YEAR	1409	15876	Local Network Services Revenues	'n
	THIS YEAR	PRIOR YEAR	HEM	

(3005c) Operating Report for Privately-Held Rate of Return Carriers Balance Sheet - Data Collection Form Page 3 of 3

<010> Study Area Code <015> Study Area Name

<020> Program Year

<030> Contact Name - Person USAC should contact regarding this data

<035> Contact Telephone Number - Number of person identified in data line <030> <039> Contact Telephone Email Address - Email Address of person identified in data line <030>

FCC Form 481 OMB Control No. 3060-0986 July 2013

<010> <u>522417</u>
<015> <u>Hat Island Telephone Company</u>
<020> <u>2020</u>

<030> <u>Gary Ricketts</u>
<035> <u>360-321-0051</u>
<039> <u>gary.ricketts@whidbeytel.com</u>

-2871 23600 43307	Ending Cach	3 6
-2871 23600		.67
-2871	Net Increase/(Decrease) in Cash	3
	Net Cash Provided/(Used) by Investing Activities	28.
	Other (Explain)	27.
	Other Noncurrent Assets & Jurisdictional Differences	26.
	Other Long-Term Investments	25.
-2871	Net Capital Expenditures (Property, Plant & Equipment)	24.
	CASH FLOWS FROM INVESTING ACTIVITIES	
0	Net Cash Provided/(Used) by Financing Activities	23.
	Other (Explain)	22.
	Less: Patronage Capital Credits Retired	21.
	Less: Payment of Dividends	20.
	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	19.
	Increase/(Decrease) in Other Liabilities & Deferred Credits	18.
	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	17.
	Increase/(Decrease) in Customer Deposits	16.
	Increase/(Decrease) in Notes Payable	15.
	Decrease/(Increase) in Notes Receivable	14.
	CASH FLOWS FROM FINANCING ACTIVITIES	
26471	Net Cash Provided/(Used) by Operations	13.
67	Increase/(Decrease) in Other Current Liabilities	12.
-98	Increase/(Decrease) in Advance Billings & Payments	11.
3511	Increase/(Decrease) in Accounts Payable	10.
	Decrease/(Increase) in Other Current Assets	9
73	Decrease/(Increase) in Prepayments and Deferred Charges	œ
	Decrease/(Increase) in Materials and Inventory	7.
52253	Decrease/(Increase) in Accounts Receivable	5
	Changes in Operating Assets and Liabilities	
	Other (Explain)	5.
	Add: Amortization	4.
13196	Add: Depreciation	ω
	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
-42531	Net Income	2.
	CASH FLOWS FROM OPERATING ACTIVITIES	
19792	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	1.
	PART C. STATEMENTS OF CASH FLOWS	



Independent Accountant's Review Report

Board of Directors Hat Island Telephone Company Langley, Washington

We have reviewed the accompanying financial statements of Hat Island Telephone Company (an S Corporation) (the "Company"), which comprise the balance sheets as of December 31, 2018 and 2017, and the related statements of operations, stockholder's equity and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

JOHNSON, STONE & PAGANO, P.S.

Johnson, Itom a Pagro, P.S.

March 8, 2019

FCC For	m 481 - Carrier Annual Reporting Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
<010>	Study Area Code	522417	
<015>	Study Area Name	HAT ISLAND TEL CO	
<020>	Program Year	2020	
<030>	Contact Name: Person USAC should contact with questions about this data	Lei McManus	
<035>	Contact Telephone Number: Number of the person identified in data line <030>	3603210068 ext.	
<039>	Contact Email Address: Email of the person identified in data line <030>	lei.mcmanus@whidbeytel.com	
	Form Type	54.313 and 54.422	

(200) Service Outage Reporting (Voice)	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2018

<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus@whidbeytel.com

<210> For the prior calendar year, were there any reportable voice service outages?

<220>

>	<a>	<b1></b1>	<b2></b2>	<b3></b3>	<b4></b4>	<c1></c1>	<c2></c2>	<d></d>	<e></e>	<f></f>	<g></g>	<h></h>
	NORS Reference Number	Outage Start Date	Outage Start Time	Outage End Date		Number of Customers Affected	Total Number of Customers	911 Facilities Affected (Yes / No)	Service Outage Description (Check all that apply)	Did This Outage Affect Multiple Study Areas (Yes / No)	Service Outage Resolution	Preventative Procedures
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(400) Number of Complaints per 1,000 customers	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2018

<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should cont	act regarding this data Lei Xottanus
<035>	Contact Telephone Number - Number of <030>	person identified in data line 3403210068 ext.
<039>	Contact Email Address - Email Address of <030>	person identified in data line lei.mcmanus.swhisbeytel.com
<400>	Select from the drop-down list to indicate voice complaints (zero or greater) for voic calendar year for each service area in whi any facilities you own, operate, lease, or or	e telephony service in the prior ch you are designated an ETC for
<410>	Complaints per 1000 customers for fixed	voice
<420>	Complaints per 1000 customers for mobil	e voice

(600) Functionality in Emergency Situations	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
	July 2018

<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210069 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus#whidbeytel.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	522417wa610.pdf

	perating Companies			FCC Form 481
Data Col	llection Form			OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
<010>	Study Area Code	522417		
<015>	Study Area Name	HAT ISLAND TE	IL CO	
<020>	Program Year	2020		
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus		
<035>	Contact Telephone Number - Number of person identified in data lin	ne <030> 3603210068 ex	tt.	
<039>	Contact Email Address - Email Address of person identified in data li	ne <030> lei.mcmanus#	whidbeytel.com	
<810>	Reporting Carrier Hat Island Telephone Company			
<811>	Holding Company Whidbey Telephone Company			
<812>	Operating Company Hat Island Telephone Company			
<813>	<a1></a1>		<a2></a2>	<a3></a3>
	Affiliates		SAC	Doing Business As Company or Brand Designation
9		See attac	ned workshee	
	· · · · · · · · · · · · · · · · · · ·			
-				

100 C 100 C 100 C	bal Lands Reporting llection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
<010>	Study Area Code	522417	
<015>	Study Area Name	HAT ISLAND TEL CO	
<020>	Program Year	2020	
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus	
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.	
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus@whidbeytel.com	
<900>	Does the filing entity offer tribal land services? (Y/N)	No	
<910>	Tribal Land(s) on which ETC Serves		
<920>	Tribal Government Engagement Obligation	Name of Attached	Document
If your o	company serves Tribal lands, please select (Yes,No, NA) for each these boxes		
	rm the status described on the attached PDF, on line 920,		
	strates coordination with the Tribal government pursuant to	Select	
§ 54.31	3(a)(5) includes:	Yes or No or Not Applicable	
<921>	Needs assessment and deployment planning with a focus on Tribal community anchor institutions.		
<922>	Feasibility and sustainability planning;		
<923>	Marketing services in a culturally sensitive manner;		
<924>	Compliance with Rights of way processes		
<925>	Compliance with Land Use permitting requirements		
<926>	Compliance with Facilities Siting rules		
<927>	Compliance with Environmental Review processes		
<928>	Compliance with Cultural Preservation review processes		
<929>	Compliance with Cultural Preservation review processes Compliance with Tribal Business and Licensing requirements.		
~3237	Compliance with findal dusiness and dicensing requirements.		

			Page 8
CONTRACTOR OF	oice and Broadband Service Rate Comparability lection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
<010>	Study Area Code		522417
<015>	Study Area Name		HAT ISLAND TEL CO
<020>	Program Year		2020
<030>	Contact Name - Person USAC should contact regarding this data		Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line	<030>	3603210068 ext.
<039>	Contact Email Address - Email Address of person identified in data line	<030>	lei.mcmanus@whidbeytel.com
<1000> <1010>	Voice services rate comparability certification Attach detailed description for voice services rate comparability compliance	Yes	17wa1010.pdf
			Name of Attached Document
<1020>	Broadband comparability certification		- Pricing is no more than the most recent applicable benchmark announced by Wireline Competition Bureau
<1030>	Attach detailed description for broadband comparability compliance	52241	1.7wa1030.pdf
			Name of Attached Document
			contraction. An operation state of the state

	o Terrestrial Backhaul Reporting lection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-08: July 2018		
<010>	Study Area Code	522417			
<015>	Study Area Name	HAT ISLAND TEL CO			
<020>	Program Year	2020			
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus			
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.			
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus%whidbeytel.com			
<1100>	Certify whether terrestrial backhaul options exist (Y/N)	Yes			
<1130>	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 upstream within the supported area pursuant to § 54.313(g).	kbps			
<1140>	Alaska Plan rate-of-return certification (yes, no, or not applicable) of compliance with approved performance plan.				

Lifeline	erms and Condition for Lifeline Customers lection Form		OME	Form 481 3 Control No. 3060-0986/OMB Control No. 3060-0819 2018
<010>	Study Area Code		522417	
<015>	Study Area Name		HAT ISLAND TEL CO	
<020>	Program Year		2020	
<030>	Contact Name - Person USAC should contact regarding this data		Lei McManus	
<035>	Contact Telephone Number - Number of person identified in data	line <030>	3603210068 ext.	
<039>	Contact Email Address - Email Address of person identified in data		lei.mcmanuslwhidbeytel.com	
<1210>	Terms & Conditions of Voice Telephony Lifeline Plans		Name of	Attached Document
<1220>	Link to Public Website	HTTP 1	tps://www.whidbeytel.com/products-services	
or the we	heck these boxes below to confirm that the attached document(s), on line absite listed, on line 1220, contains the required information pursuant to (a)(2) annual reporting for ETCs receiving low-income support, carriers mi report: Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,			
<1222>	Details on the number of minutes provided as part of the plan,	/		
<1223>	Additional charges for toll calls, and rates for each such plan.	/		

Data Collect	Cap Carrier Additional Documentation ion Form te-of-Return Carriers affiliated with Price Cap Local Exchange Carriers		ON	C Form 481 1B Control No. 3060 y 2018	-0986/OMB Control No. 3060-0819
<015> St <020> Pr <030> Co <035> Co <039> Co	tudy Area Code tudy Area Name rogram Year ontact Name - Person USAC should contact regarding this data ontact Telephone Number - Number of person identified in data line <030> ontact Email Address - Email Address of person identified in data line <030> the appropriate responses below (Yes, No, Not Apples access charge reductions, and Connect America P		•		
	d in the documents attached below is accurate.2016 and future Frozen Support Certification 47 CFR	§ 54.313(c)(4)			
Price Ca	p Carrier Connect America ICC Support {47 CFR § 5	54.313(d)}			
<2016	> Certification support used to build broadband t America Phase II Reporting {47 CFR § 54.313(e)}				
<2017A>					
	Total amount of Phase II support, if any, the price cap capital expenditures in 2018.	carrier used for			
<2018>	Attach the number, names, and addresses of commur institutions to which the carrier newly began providing broadband service in the preceding calendar year - 54	g access to	Name of Attached Document Required Information	Listing	
<2019>	Recipient certifies that it bid on category one telecome Internet access services in response to all FCC Form 4 broadband service that meets the connectivity targets libraries universal service support program for eligible libraries located within any area in a census block who receiving Phase II model-based support, and that such reasonably comparable to rates charged to eligible sclurban areas for comparable offerings - 54.313(e)(1)(ii)	70 postings seeking s for the schools and e schools and ere the carrier is n bids were at rates nools and libraries in			

(3005) Rate (Data Collecti	Of Return Carrier Additional Documentation Ion Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus@whidbeytel.com

(3007) Does this filing retain a Cost Consultant and/or Firm, or other Third Party to prepare financial and operations data disclosures submitted to the National Exchange Carrier Association (NECA), USAC, or the Administrator?

No

(3007a)	(3007b)
Name of Consultant	Name of Consultant Firm/Third Party

CAF BLS Reporting

(3008B1)

(3008A) Please indicate whether new locations were deployed during the prior calendar year. (Yes/No)

Please enter the number of new locations deployed in the prior calendar year associated with each of the following speed tiers.

Number of newly built locations with access to broadband speeds of at least 10/1 Mbps but less than 25/3 Mbps.

(3008B2) Number of newly built locations with access to broadband speeds of 25/3 Mbps or higher.

(3008C) Please provide the percentage of deployment across the entire study area.

(3005) Rate Of Return Carrier Additional Documentation Data Collection Form		FCC Form 481
		OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO

<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus@whidbeytel.com
ATTENDED TO STATE OF		

Select from the drop down menu or check the boxes below to note compliance with 54.313(f)(1). Privately held carriers must ensure compliance with the financial reporting requirements set forth in 47 CFR 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)			
		Yes - Attac	ch Certification	on
(3010A)	Certification of Public Interest Obligations {47 CFR § 54.313(f)(1)(i)}	100 110000		22417wa3010.pdf
(3010B)	Please Provide Attachment	Name of Attached Document Listin Information	ng Required	
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	No - No New Community Anchors	Г	
(3012B)	Please Provide Attachment	Name of Attached Document Listin Information	ng Required	
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	(Yes/No) ()	5	
(3014)	If yes, does your company file the RUS annual report	(Yes/No)	•	
(3015)	Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires: Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) Document(s) with Balance Sheet, Income Statement			
	and Statement of Cash Flows	N (A)	[
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listin Information	ng Required	
(3018)	If the response is no on line 3014, is your company audited? If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains: Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	(Yes/No) (
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit. If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains: Copy of their financial statement which has been			
(3023)	subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers Underlying information subjected to a review by an			
	independent certified public accountant		✓	
(3024)	Underlying information subjected to an officer certification.		1	
(3025)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		✓	
(3026)	Attach the worksheet listing required information	Name of Attached Document Listin	ng Required	Hat Island Accountants Report.pdf, 3005-Rate-of- Return-Data-Upload-Template_Hat Island.pdf

(3005) Rate Of Return Carrier Additional Documentation (Continued)	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2018

<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus?whidbeytel.com

Financial Data Summary	84082
(3027) Revenue	
(3028) Operating Expenses	131392
(3029) Net Income	-42531
(3030) Telephone Plant In Service(TPIS)	431387
(3031) Total Assets	235797
(3032) Total Debt	0
(3033) Total Equity	225417
(3034) Dividends	0

(4005) Rural Broadband Experiment Additional Documentation	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2018

Study Area Code	522417
Study Area Name	HAT ISLAND TEL CO
Program Year	2020
Contact Name - Person USAC should contact regarding this data	Lei XcManus
Contact Telephone Number - Number of person identified in data lir	e <030> 3603210068 ext.
Contact Email Address - Email Address of person identified in data lin	ne <030> lei.mcmanus@whidbeytel.com
	Study Area Name Program Year

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations and provide a list of newly served community anchor institutions.

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

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

4001. Recipient certifies that it is offering broadband 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. RBE 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 Name of Attached Document Listing Required Information of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

(5005) Alaska Plan Participants Additional Documentation	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2018

<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus@whidbeytel.com
.0337	contact Email Address Email Address of person identified in data life 10302	1e1.mcmanus@wn1dbeyte1.com

5005 Alaska Plan

(5010)	Do you participate in the Alaska plan?	(Yes/No)
(5011)	Please indicate whether any terrestrial backhaul or other satellite backhaul became commercially available in the previous calendar year in areas previously served exclusively by performance-limiting satellite backhaul.	(Yes/No)
(5012)	If the filing carrier identified in its approved perfomance plans that it relies exclusively on satellite backhaul for a certain poriton of the population in its service area, indicate whether any terrestrial backhaul or other satellite backhaul became commercially available in the previoius calendar year in areas that were previoiusly served exclusively by satellite backhaul.	(Yes/No)

<5013>	<a>>		<c></c>
	Description Of Backhaul Technology	Date Backhaul Available	Newly Served Locations or Population
		-	

Certification - Reporting Carrier Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
<010>	Study Area Code	522417
<015>	Study Area Name	HAT ISLAND TEL CO
<020>	Program Year	2020
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei mcmanus@whidhevtel com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accur	racy of the Data Reported for the Annual Reporti	ng for CAF or LI Recipients
certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.		
Name of Reporting Carrier: HAT ISLAND TEL CO		
Signature of Authorized Officer: CERTIFIED ONLINE		Date 06/28/2019
Printed name of Authorized Officer: Gary Ricketts		
Title or position of Authorized Officer: Secretary & Treasurer		
Telephone number of Authorized Officer: 3603210051 ext.		
Study Area Code of Reporting Carrier: 522417	Filing Due Date for this form: 07/01/201	9
Persons willfully making false statements on this form can be punishe under T	d by fine or forfeiture under the Communications Act of 1934, a litle 18 of the United States Code, 18 U.S.C. § 1001.	47 U.S.C. §§ 502, 503(b), or fine or imprisonment

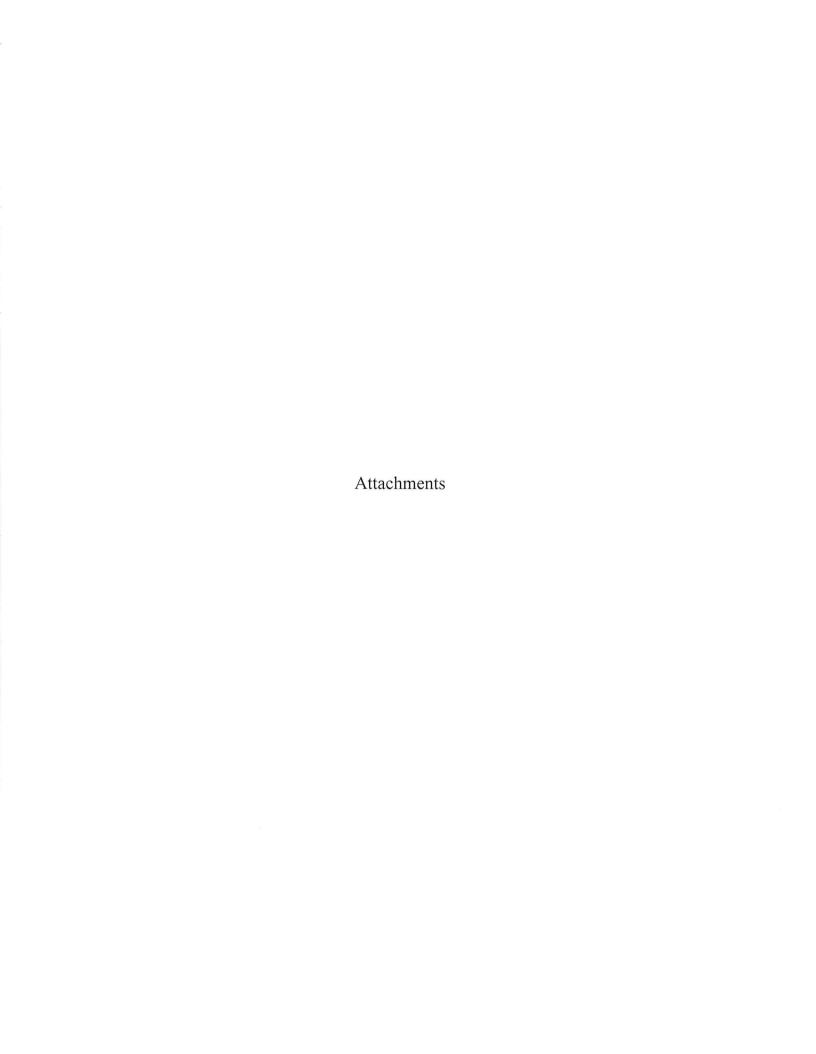
Certification - Agent / Carrier Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0 July 2018	
<010>	Study Area Code	522417	
<015>	Study Area Name	HAT ISLAND TEL CO	
<020>	Program Year	2020	
<030>	Contact Name - Person USAC should contact regarding this data	Lei McManus	
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210068 ext.	
<039>	Contact Email Address - Email Address of person identified in data line <030>	lei.mcmanus@whidbeytel.com	

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier					
I certify that (Name of Agent) also certify that I am an officer of the reporting carrier; my responsibilities include ensuri agent; and, to the best of my knowledge, the reports and data provided to the authorized					
Name of Authorized Agent:					
Name of Reporting Carrier:					
Signature of Authorized Officer:	Date:				
Printed name of Authorized Officer:					
Title or position of Authorized Officer:					
Telephone number of Authorized Officer:					
Study Area Code of Reporting Carrier: Filing Due Dat	te for this form:				
Persons willfully making false statements on this form can be punished by fine or forfeiture under Title 18 of the United State					

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File A	nnual Reports for CAF or LI Recipients on Behalf of Reporting Carrier				
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service 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 Firm:					
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: ext.					
	iling Due Date for this form:				



(800) Operating Companies	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2018

<010>	Study Area Code		522417
<015>	Study Area Name		HAT ISLAND TEL CO
<020>	Program Year		2020
<030>	Contact Name - Person U	SAC should contact regarding this data	Lei McManus
<035>	Contact Telephone Numb	per - Number of person identified in data line <030>	3603210068 ext.
<039>	Contact Email Address - E	mail Address of person identified in data line <030>	lei.mcmanus@whidbeytel.com
<810>	Reporting Carrier	Hat Island Telephone Company	
<811>	Holding Company	Whidbey Telephone Company	
<812>	Operating Company	Hat Island Telephone Company	

<813> <a1></a1>	<a2></a2>	<a3></a3>
Affiliates	SAC	Doing Business As Company or Brand Designation
2012 George T.F. Henny Trust	522417	Hat Island Telephone Company
2012 Julia Henny DeMartini Trust	522417	Hat Island Telephone Company
2012 Mark P. Henny Trust	522417	Hat Island Telephone Company
David Christian Henny Testamentary Trust	522417	Hat Island Telephone Company
Western Long Distance, Inc.	522417	Hat Island Telephone Company
American Alarms Systems, Inc.	522417	
FiberCloud, Inc.	522417	
WiFire, Inc.	522417	
Watercrest, Inc.	522417	
Whidbey Telephone Company	522417	Whidbey Telecom
Whidbey Telephone Company	522417	Whidbey Telecom Internet & Broadband