



Your business
is our business.

7852 Walker Drive, Suite 200
Greenbelt, Maryland 20770
phone: 301-459-7590, fax: 301-577-5575
internet: www.jsitel.com, e-mail: jsi@jsitel.com

June 27, 2017

VIA ELECTRONIC DELIVERY

Ms. Donna Giliberto
Records Access Officer
New York Public Service Commission
Three Champlain State Plaza
Albany, New York 12223

**Re: Request for Trade Secret Protection, and
Motion For Trade Secret Status
WC Docket 14-58
47 CFR §54.313 & 47 CFR §54.422 – FORM 481
NYS DPS Matter No. 17-01194**

Dear Records Access Officer:

Chazy & Westport Telephone Corp. (“Chazy”) respectfully requests that the information in the attached document be treated by the Commission and the Department of Public Service as trade secret information and confidential commercial information pursuant to Public Officers Law §§87(2) and 89(2), and the Commissions’ implementing regulation, 16 NYCRR §6-1.3. The information in these documents, if made publicly available, would likely cause substantial injury to the competitive positions of Chazy. Accordingly, we respectfully request that the attached unredacted documents be treated as confidential trade secret information and afforded all of the protections against public disclosure available for such information, as provided by law.

Attached please find a copy of Chazy’s Motion for Trade Secret Status for its FCC Form 481 – Carrier Annual Reporting. This filing is being made in NYS DPS Matter No. 17-01194 in compliance with 47 C.F.R §54.313, Annual Reporting for High-Cost Recipients, and 47 C.F.R §54.422, Annual Reporting for ETCs that Receive Low Income Support.

A letter notifying Secretary Burgess that our Company has filed the requisite data with you and a copy of the Motion have been provided to the Secretary under separate cover.

Should you have any questions regarding this request, please do not hesitate to contact me.

Respectfully submitted,

/sd/

John Kuykendall – JSI Vice President

cc: Ms. Ellen Cole, Chazy & Westport Telephone Corp.

Headquarters: 7852 Walker Drive, Suite 200
Greenbelt, MD 20770
phone: 301-459-7590, fax: 301-577-5575

Eagandale Corporate Center, Suite 310
1380 Corporate Center Curve, Eagan, MN 55121
phone: 651-452-2660, fax: 651-452-1909

Echelon Building II, Suite 200
9430 Research Blvd., Austin, TX 78759
phone: 512-338-0473, fax: 512-346-0822

547 South Oakview Lane
Bountiful, UT 84010
phone: 801-294-4576, fax: 801-294-5124

MOTION OF THE
Chazy & Westport Telephone Corp.
FOR TRADE SECRET STATUS

Chazy & Westport Telephone Corp., (“Chazy”) a facilities-based local exchange carrier operating in New York State, hereby respectfully moves the New York State Public Service Commission (“Commission”) to grant trade secret proprietary status for the FCC Form 481 – Carrier Annual Reporting (“Form 481”) data filed by the carrier with the FCC and USAC in accordance with 47 C.F.R. §54.313, Annual Reporting for High-Cost Recipients, and 47 C.F.R. §54.422, Annual Reporting for ETCs that Receive Low Income Support, pursuant to Section 6-1.3 of its Rules of Procedure and Section 87(2)(d) of the Public Officers Law.¹ The referenced Form 481 data filing has been submitted under separate cover to Ms. Donna Giliberto, the Commission’s Records Access Officer, with correspondence submitted to the Secretary indicating that the materials have been filed with Ms. Giliberto.

Chazy believes that public availability of this information could cause potential, but irreparable, injury to the company because of the nature of this information. The submitted data includes specific proprietary information about the company’s finances. This information meets § 6-1.3 of Commission’s Rules of Procedure in that this information specific, Company finances, is not made publicly available by the company at the level presented.

In addition, the data provided (which the Company’s competitors are not required to provide) provides the company’s competitors with a competitive advantage over the company.

¹ 16 NYCRR 6-1.3; N.Y. Pub. Off. Law §87(2)(d) and §87(2)(f).

As §87(2)(d) of the Public Officers Law states, agencies may deny access to records which “trade secrets or are submitted to an agency by a commercial enterprise or derived from information obtained from a commercial enterprise and which if disclosed would cause substantial injury to the competitive position of the subject enterprise.”²

Further, 16 NYCRR §6-1.3(b)(2)(i) states that disclosure can be limited to “the extent to which the disclosure would cause unfair economic or competitive damage”³ and 16 NYCRR §6-1.3(b)(2)(vi) states that the disclosure can be prevented where there exists “other statute(s) or regulations specifically exempting the information from disclosure,”⁴ such as Public Officers Law §87(2)(d).

Thus, the release of this information regarding the Company’s Form 481 data filing would be to the detriment of our Company’s competitive standing and must be prevented. Since the submitted information contains such sensitive and trade secret information which could result in injury if released publicly Chazy is hereby moving for protection from public disclosure of the materials under the cited sections of the New York State Public Officers Law and Commission regulation.

Should you have any questions regarding this Motion, please contact my office.

Respectfully submitted,

John Staurulakis, Inc.

/sd/ John Kuykendall

John Kuykendall
7852 Walker Drive, Suite 200
Greenbelt, Maryland 20770

² *N.Y. Public Officers Law*, §87(2)(d).

³ 16 NYCRR §6-1.3(b)(2)(i).

⁴ 16 NYCRR §6-1.3(b)(2)(vi).



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June 21, 2017

Via Hand Delivery

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket No. 14-58
2017 ETC Annual Report of Chazy & Westport Telephone Corp.
Study Area Code 150079**

Dear Ms. Dortch:

On behalf of Chazy & Westport Telephone Corp. ("Company"), JSI files the attached confidential version of the FCC Form 481 ETC annual reporting information pursuant to sections 54.313 and 54.422 of the Commission's rules.¹ Company seeks confidential treatment under Protective Order for section 54.313(f)(2) financial information.² The redacted version is being filed this date via the FCC's Electronic Comment Filing System.

Please direct any questions regarding the filing to the undersigned.

Sincerely,

John Kuykendall
JSI Vice President
301-459-7590
jkuykendall@jsitel.com

¹ 47 C.F.R. §§ 54.313, 54.422.

² *Connect America Fund et al.*, WC Docket Nos. 10-90 and 14-58, Protective Order, DA 16-296 rel. March 22, 2016 (Protective Order). 47 C.F.R. § 54.313(f)(2).

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name: Person USAC should contact with questions about this data	Lou Silvestre
<035>	Contact Telephone Number: Number of the person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	lousilvestre@westelcom.net

Form Type	54.313 and 54.422
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**(300) Unfulfilled Service Request
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

<300> Unfulfilled service request (voice)

0

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband)

0

<330> Detail on attempts (broadband)

Name of Attached Document

(400) Number of Complaints per 1,000 customers Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
--	--

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	
<410>	Complaints per 1000 customers for fixed voice	Offered only fixed voice 0 . 0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	
<440>	Complaints per 1000 customers for fixed broadband	Offered only fixed broadband 0 . 0
<450>	Complaints per 1000 customers for mobile broadband	

(500) Compliance With Service Quality Standards and Consumer Protection Rules		FCC Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819
		July 2013
<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
150079nyServiceQualityLine510.pdf		
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	
<515>	Certify compliance with applicable minimum service standards	

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	150079nyEmergencyFunctionLine610.pdf

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

<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 company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <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 Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

**(1000) Voice and Broadband Service Rate Comparability
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

<1000> Voice services rate comparability certification Yes

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

Name of Attached Document

<1020> Broadband comparability certification

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

<1030> Attach detailed description for broadband comparability compliance

Name of Attached Document

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

<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 kbps upstream within the supported area pursuant to § 54.313(g).

(1200) Terms and Condition for Lifeline Customers**Lifeline****Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

150079nyLifeline Application2017line1210.pdf

Name of Attached Document

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

<1220> Link to Public Website

HTTP <http://chazyandwestport.com>

"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:

- <1221> 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. ☒

(2005) Price Cap Carrier Additional Documentation

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

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 Connect 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 Connect America Phase I reporting

- <2011> 3rd Year Certification 47 CFR §54.313(b)(1)(ii) - Note that for the July 2017 certification, this applies to Round 2 recipients of Incremental Support.
- <2022> Recipient certifies, representing year three 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). Round 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 three - 54.313(b)(2)(ii). Round 2 recipients only.
- <2024A> Round 2 Recipient of Incremental Support?
- <2024B> Attach list of census blocks indicating where funding was spent in year three - 54.313(b)(2)(ii). Round 2 recipients only.
- <2025A> Round 2 Recipient of Incremental Support?
- <2025B> Attach geocoded Information for Phase I milestone reports (Round 2 for year three) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13-73, paragraph 35 (May 22, 2013).
- <2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Name of Attached Document Listing
Required Information

Name of Attached Document Listing
Required Information

(2005) Price Cap Carrier Additional Documentation

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

July 2013

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017C> Total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2016.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(1)(ii)(A)

Name of Attached Document Listing
Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(1)(ii)(C)

(3005) Rate Of Return Carrier Additional Documentation
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

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 - Attach Certification			
(3010A)	Certification of Public Interest Obligations {47 CFR § 54.313(f)(1)(i)}		150079nyMilestone Certification LetterLine3010b.pdf
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	No - No New Community Anchors	
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No)	<input type="radio"/> <input checked="" type="radio"/>
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:			
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
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:			
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		<input checked="" type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows		<input checked="" type="checkbox"/>
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.		<input checked="" type="checkbox"/>
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:			
(3022)	Copy of their financial statement which has been 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		<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.		<input type="checkbox"/>
(3025)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	150079nyAudtReport2016line3026.pdf

CONFIDENTIAL INFORMATION SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

(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 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

Financial Data Summary

(3027) Revenue	6700722
(3028) Operating Expenses	6871363
(3029) Net Income	-181663
(3030) Telephone Plant In Service(TPIS)	26898098
(3031) Total Assets	9013230
(3032) Total Debt	1023554
(3033) Total Equity	4622457
(3034) Dividends	6500

(4005) Rural Broadband Experiment Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
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<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) 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 RBE 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. 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 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 recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.	Name of Attached Document Listing Required Information	
--	--	--

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	150079
<015> Study Area Name	CHAZY & WESTPORT
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035> Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

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 Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I 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: CHAZY & WESTPORT	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/09/2017
Printed name of Authorized Officer: James Forcier	
Title or position of Authorized Officer: CEO	
Telephone number of Authorized Officer: 5189628211 ext.	
Study Area Code of Reporting Carrier: 150079	Filing Due Date for this form: 07/03/2017
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	150079
<015> Study Area Name	CHAZY & WESTPORT
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035> Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

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) _____ 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 reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
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 Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual 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: 05/23/2017
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 Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

CONFIDENTIAL INFORMATION-SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

**(700) Price Offerings including Voice Rate Data
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net

<701>	Residential Local Service Charge Effective Date	1/1/2017
<702>	Single State-wide Residential Local Service Charge	

<703>

[illegible]

CONFIDENTIAL INFORMATION-SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	150079
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<015>	Study Area Name	CHAZY & WESTPORT
-------	-----------------	------------------

<020>	Program Year	2018
-------	--------------	------

<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
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<035> Contact Telephone Number - Number of person identified in data line <030> 5189624404 ext.

<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net
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[illegible]

CONFIDENTIAL INFORMATION-SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

(800) Operating Companies Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	150079
<015>	Study Area Name	CHAZY & WESTPORT
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Lou Silvestre
<035>	Contact Telephone Number - Number of person identified in data line <030>	5189624404 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	lousilvestre@westelcom.net
<810>	Reporting Carrier	Chazy & Westport Telephone
<811>	Holding Company	Chazy & Westport Telephone
<812>	Operating Company	Chazy & Westport Telephone

[illegible]

Chazy & Westport Telephone adheres to the following processes and procedures as set forth by the New York State Public Service Commission to ensure Customer Service Standards, Service Quality Standards and Consumer Protection Rules within our organization. Chazy & Westport Telephone furthermore will comply with all requirements set forth in the 2015 Open Internet Order when it becomes effective.

§ 609.1 Purpose

This Part sets forth the commission's rules and regulations which apply to the provision of basic local exchange service

by telephone corporations when service is provided to residential customers or applicants for residential service as defined

in section 609.2 of this Part.

§ 609.2 Applicability of rules

Notwithstanding any other commission rule or order to the contrary, this Part governs the provision of residential service as defined herein and the rights, duties and obligations of every telephone corporation subject to the jurisdiction of

the commission by virtue of Article 5 of the Public Service Law with respect to such service, their residential customers

and applicants for residential service.

(a) Residential service is basic local exchange service furnished in private homes or apartments, including all parts of

the subscriber's domestic establishment, for domestic use and not for substantial occupational use; in the study of a clergyman located in a church, in college fraternity or sorority houses, college dormitories, convents and monasteries for

domestic rather than occupational use in residential quarters.

(b) The term existing residential customer, when used in this Part, shall include any person who is supplied directly by a telephone corporation with residential service at a dwelling for his or her residential use pursuant to an application for

service made by such person or a third party on his or her behalf. The term includes a person requesting such service who

was a customer of the same telephone corporation within 12 months of making the request, who was not terminated for

nonpayment more than 10 days before making the request, and who may move to a different dwelling within the telephone

corporation's service territory.

(c) The term applicant, when used in this Part, shall include any person who does not qualify as an existing residential

customer and who requests basic local exchange service at a dwelling for his or her residential use or the residential use by

another person.

(d) The term reportable charges shall mean any charges for local service which are unpaid 45 days from the date of the bill for the charges, provided that the bill was mailed within six business days of the date of the bill. Charges which are

the subject of a deferred payment agreement under which the customer is making the agreed upon payments are not reportable charges; failure to make an agreed upon payment shall make the entire unpaid balance of the deferred payment

agreement a reportable charge. Charges which are the subject of a pending billing dispute pursuant to section 609.16 of

this Part are not reportable charges during the pendency of the dispute or for 15 days after its resolution.

(e) The term basic local exchange service shall include the following charges for residential service:

(1) customer access line, including any usage bundled in this charge;

(2) local measured service;

(3) local measured units;

(4) locality rates;

(5) mileage;

- (6) late payment charges on local exchange service;
 - (7) subscriber line charge;
 - (8) taxes and surcharges prorated to reflect only the taxes and surcharges associated with local exchange service;
 - (9) nonpublished service;
 - (10) touchtone;
 - (11) local exchange service restoral charge;
 - (12) NSF check charge for local exchange service or any part of local exchange service;
 - (13) service order charge for local exchange service;
 - (14) construction charges for local exchange service; and
 - (15) intra LATA toll service and interregional calls unless intraLATA prescription is offered and selective intra-LATA access is available.
- (f) The term suspension shall mean the interruption of outgoing service only.
- (g) The term termination shall mean the interruption of both incoming and outgoing service.
- (h) The term seasonal customer shall mean a customer who applies for and receives service periodically each year, intermittently during the year, or at other irregular intervals.
- (i) The term short-term customer shall mean a customer who requires service for a specified period of time that does not exceed one year.
- (j) The terms deny or denied shall mean any determination, by a representative of a telephone corporation in response to an application for service, that service will not be initiated as requested.
- (k) The term delinquent in payment shall mean a residential customer has not paid in full a duly rendered bill, or an agreed-upon partial payment, for basic local exchange service 25 days after the first day of the period for which the local service charge is being billed, or within a longer period agreed to by the utility. A residential customer who has not paid in full a bill, or an agreed-upon partial payment, for basic local exchange service in circumstances where disconnection for nonpayment is precluded under utility complaint procedures established under section 609.16 of this Part or commission complaint procedures under Part 11 of this Title, shall not be considered delinquent in payment. Nothing in this Part shall modify the commission's rules or orders applicable to the provision of telephone service to nonresidential customers.
- § 609.3 Applications for residential basic local exchange service
- (a) Extension of service. (1) Consistent with the provisions of this section, every telephone corporation shall provide basic local exchange service to an applicant upon his or her oral or written request.
- (2) A telephone corporation shall not be obligated to provide service to an applicant who owes the telephone corporation money for basic local exchange service provided to a prior account in his or her name unless:
- (i) the applicant makes full payment for such service provided to any such prior account in his or her name;
 - (ii) the applicant agrees to make payments under a deferred payment plan, not to exceed three months, of any amount due for basic local exchange service to a prior account in his or her name if the applicant qualifies for such a plan by having been a customer for three months and service was not terminated for nonpayment during that period and if the amount due has not been the subject of a previous deferred payment plan under this subdivision;
 - (iii) the applicant has pending a billing dispute pursuant to section 609.16 of this Part with respect to any amounts due for service to a prior account in his or her name and has paid any amounts required to be paid pursuant to those provisions;
- or
- (iv) the commission or its authorized designee directs the provision of service, who may require such extension of service to be made within 24 hours or less.
- (3) A telephone corporation shall not be obligated to provide service to an applicant who has reportable charges, or has been terminated for nonpayment within the past 6 months, with any other telephone corporation unless the applicant agrees to:

(i) pay a deposit in accordance with the provisions of section 609.9 of this Part; or
(ii) make advance payment of an amount not to exceed two times the average monthly bill for basic local exchange service. Such payment shall be applied to charges for local service on the first and subsequent bills, until it has been liquidated. The telephone corporation may not condition service upon payment in advance for any person it knows to be a

recipient of public assistance, supplemental security income, or additional State payments.

(4) The telephone corporation may request either a deposit or payment in advance, but not both, as a condition of service.

(5) A telephone corporation shall be obligated to provide service to any applicant who meets the requirements of this section within five business days of receipt of a completed oral or written application for service or such later time as may

be specified by the applicant, except:

(i) where prevented by labor strikes or precluded by law;

(ii) where precluded by consideration of public safety;

(iii) where the applicant fails to pay, or agree in writing to pay, reasonable chargeable material and installation costs relating to temporary or permanent line extensions, or otherwise fails to comply with any applicable requirements of the

commission's rules;

(iv) where precluded by physical impediments including:

(a) adverse weather conditions;

(b) inability to gain access to premises in the possession of the applicant or others when necessary;

(c) incomplete construction of necessary facilities by the applicant or inspection thereof by the appropriate authorities;

or

(d) incomplete construction of necessary facilities by the telephone corporation. the telephone corporation shall make

reasonable efforts to eliminate conditions preventing extension of service and shall pursue completion of any facilities it

must construct with due diligence; or

(v) where directed by the commission or its authorized designee, who may require such extension of service to be made within 24 hours or less.

(6) An oral application for service shall be deemed completed when an applicant who meets the requirements of this section provides his or her name, address, and address of prior account, if any or prior telephone number, if any. A telephone

corporation may establish nondiscriminatory procedures to require an applicant to provide reasonable proof of the applicant's identity.

(7) A telephone corporation may require an applicant to complete a written application if:

(i) there are reportable charges from a previous account with any telephone corporation at the premises to be served; or

(ii) the application is made by a third party on behalf of the person(s) who would receive service. A written application

may require the submission of information required in an oral application, and reasonable proof of the applicant's responsibility for service at the premises to be supplied. A telephone corporation requiring a written application shall so

notify an applicant as soon as practicable after the request for service is made, and in no event more than three business

days after such request, and shall state the basis for requiring a written application. A written application containing the

required information shall be deemed completed when received by the utility.

Comment: When a written application is permitted, a telephone corporation may require the applicant to provide a copy of a lease (if one exists), deed, bill of sale or other documentation to show the date the applicant became responsible

for service. A telephone corporation may also require an applicant to validate the applicant's prior address.

(8) Subject to the requirements of paragraph (5) of this subdivision, whenever a residential customer moves to a different dwelling within the service territory of the same telephone corporation and requests residential service within 12

months, he or she shall be eligible to receive service at the different dwelling, and such service shall be considered a continuation of service in all respects, with any deferred payment agreement, and with all rights honored; provided, however, that such customer's prior service was not terminated for nonpayment more than 10 days before the request for service.

(9) A telephone corporation shall extend service to an applicant for residential basic local exchange service, whose application for service has previously been denied, within five business days unless a later time is requested by the applicant,

after the following events:

(i) elimination of all the conditions specified in paragraphs (2)-(5) of this subdivision which resulted in the denial of service; or

(ii) by direction of the commission or its authorized designee, who may require such extension of service to be made within 24 hours or less.

(b) Denial of application for service--notice. (1) An application for service not denied within three business days shall be deemed approved.

(2) No telephone corporation shall deny an application for service or condition service upon an advance payment or deposit without advising the applicant within three business days of receipt of the application for service of:

(i) the reason or reasons for the denial, or the requirement for an advance payment or deposit;

(ii) precisely what the applicant must do to qualify for service or eliminate the requirement; and

(iii) his or her right to an investigation and review by the commission or its authorized designees of the denial or request for an advance payment or deposit. The telephone corporation shall advise the applicant of the appropriate methods

available to challenge the action of the telephone corporation and the address and telephone number of the commission.

(3) When the notice required by paragraph (2) of this subdivision is made orally, the telephone corporation shall provide the applicant, upon request, the notice in writing at his or her current address unless a different address is specified.

When oral notification cannot be accomplished within three business days due to the unavailability of the applicant, the telephone corporation shall provide immediate written notification.

§ 609.4 Suspension or termination of basic local exchange service

(a) Conditions for suspension or termination. A telephone corporation may suspend or terminate basic local exchange

service as provided for in these rules if the customer:

(1) fails to pay the telephone corporation charges due at any time during the preceding six months; provided, however,

that suspension or termination of service for bills due for service rendered during periods in excess of the six-month period is permitted in cases involving billing disputes during the six-month period or the culpable conduct of the customer;

and provided further, that the telephone corporation shall commence any such billing not more than two months after the resolution of the billing dispute, the cessation of the event which caused the telephone corporation to delay or

delays caused by the customer's culpable conduct;

(2) fails to pay amounts due under a deferred payment agreement;

(3) fails to pay or agree in writing to pay equipment and installation charges relating to the initiation of service; or

(4) fails to pay a lawfully required deposit.

(b) Notice of suspension or termination--contents. A notice of suspension or termination shall clearly state or include:

(1) the earliest date on which suspension or termination may occur;

(2) the reasons for suspension or termination and the manner in which suspension or termination may be avoided, including the total amount required to be paid to avoid suspension or termination;

(3) the address and telephone number of the office of the telephone corporation that the customer may contact in reference to his or her account;

(4) the availability of procedures for handling complaints;

(5) the availability and a general description of a deferred payment agreement, which shall be highlighted;

(6) a summary of the protections available under this Part, together with a notice that any customer eligible for such

protections should contact the telephone corporation; and

(7) the notice may include any additional information not inconsistent with this Part. In addition, the notice shall have

printed on its face, in a size type capable of attracting immediate attention, language conveying the following:

"THIS IS A FINAL DISCONNECTION NOTICE. PLEASE BRING THIS NOTICE TO THE ATTENTION OF THE TELEPHONE CORPORATION WHEN PAYING THIS BILL."

(c) Notice of suspension or termination--time. (1) No telephone corporation shall suspend service until at least eight days nor terminate service until at least 20 days after a notice:

(i) has been served upon the residential customer; or

(ii) has been mailed to the residential customer at the premises where service is rendered; provided, however, if a residential customer has specified to the telephone corporation in writing an alternative address for billing purposes, the

notice under this paragraph shall be sent to such alternative address rather than to the premises where service is rendered.

(2) A telephone corporation may not issue or send a notice of suspension or termination unless at least 25 days have elapsed from the date of the bill, except when exceptional circumstances exist, a notice may be issued in less than 25 days,

but only in accordance with procedures approved by the commission or its designee. A telephone corporation shall mail

the bill within six business days of the date of the bill. A telephone corporation shall extend the 25-day period one day for

each day beyond the sixth business day when bills are mailed late. Individual customers also shall be given the same extension when documentation, such as the postmarked date, exists.

(3) After issuing the notice, the telephone corporation shall attempt to notify the customer by telephone of the intended

suspension or termination and how such suspension or termination may be avoided. The attempt to notify the customer by telephone shall include at least one telephone call during nonworking hours before the scheduled date for

suspension or termination.

(d) Suspension or termination of service--time. A telephone corporation complying with the conditions set forth in this section may suspend or terminate service to a residential customer for nonpayment of bills only between the hours of

8 a.m. and 7:30 p.m., Monday through Thursday, and between 8:00 a.m. and 3:00 p.m. on Friday, provided such day or the

following day is not:

(1) a public holiday, as defined in the General Construction Law;

(2) a day on which the main business office of the telephone corporation is closed for business; or

(3) during the periods of December 23rd through December 26th and December 30th through January 2nd.

(e) Suspension or termination for abandonment of facilities. (1) No telephone corporation shall suspend or terminate service on the grounds that a customer's facilities have been abandoned or are being used by unauthorized persons unless

such corporation shall first determine, by such means as are reasonably calculated to determine occupancy, that such facilities have in fact been abandoned or are being used without the authority of the customer of record. The telephone

corporation shall send a notice to the customer stating the reasons for the suspension or termination no later than five days

prior to the date of any such suspension or termination, except that the five-day notification period shall be waived when

mailings are returned by the post office or a new customer advises that he or she has moved into the location.

(f) No suspension or termination without verification of delinquent account. No telephone corporation shall suspend or terminate service for nonpayment of bills rendered unless:

(1) it shall have verified that payment has not been received at any office of the telephone corporation or at any office

of an authorized collection agent through the end of the notice period required by this Part; and

(2) it shall have verified on the day suspension or termination occurs that payment has not been posted to the customer's account as of the opening of business on that day.

(g) Rapid posting of payments in response to notices of suspension or termination. Every telephone corporation shall ensure that any payments made in response to a notice, when the customer brings the fact that such a notice has been issued to the attention of the telephone corporation or its collection agents:

(1) are posted to the customer's account on the day payment is received; or

(2) are processed in some manner so that suspension or termination will not occur.

(h) Additional notice required when payment by check is subsequently dishonored. The telephone corporation shall be required to make at least two attempts, one outside of normal business hours, to contact a customer within 24 hours

when the telephone corporation is in receipt of a subsequently dishonored negotiable instrument due to lack of funds,

provided that the customer previously has not submitted a dishonored check within the past 12 months. Upon reaching the

customer, the telephone corporation shall give him or her an additional 24 hours to pay the bill before suspension or termination of service.

§ 609.5 Suspension or termination of residential basic local exchange service--special procedures

This section provides special protections for residential customers regarding the suspension or termination and restoration

of basic local exchange service in cases involving medical emergencies, the elderly, blind or disabled.

(a) Medical emergencies. (1) No telephone corporation shall suspend, terminate or refuse to restore basic local exchange

service and any access determined by the customer's doctor to be necessary to reach the customer's doctor when a medical emergency exists, for which certification by a medical doctor or local board of health may be required, for nonpayment of monthly charges in an amount set by the commission; provided, however, that a demonstration of the customer's inability to pay charges for service may be required before a certificate of medical emergency can be renewed

pursuant to paragraphs (3) and (4) of this subdivision, unless the commission or its designee directs otherwise.

(2) A medical emergency exists when a resident of a customer's residence suffers from a serious illness or medical condition which severely affects the resident's well-being and the absence of such telephone service would create a serious

risk of inaccessibility of emergency medical assistance, assistance relating to medical care or professional advice.

An

inability to pay charges for service is demonstrated when a customer is unable to pay past due and current telephone bills

because of insufficient liquid assets and current income, considering other necessary and reasonable expenses of the customer such as food, shelter and medical expenses, which may be documented by provisions of the information required

in the form set in Appendix 17 of this Title or such other form approved by the commission.

(3) Certification. An initial certification of a medical emergency by a medical doctor or local board of health may be made by telephone and shall remain effective if written certification is provided thereafter to the telephone corporation

within five business days. A telephone corporation may require that any certification of a medical emergency shall be

submitted on stationery of the medical doctor or local board of health, shall be signed by the medical doctor or an official

of the local board of health qualified to make a medical judgment and shall state the name and address of the certifying

medical doctor or local board of health, the doctor's State registration number, the name and address of the seriously ill

person, the nature of the serious illness or medical condition, any service beyond basic local exchange services which may

be necessary to reach the customer's doctor because of the medical condition and an affirmation that the customer suffers

from a serious illness or a medical condition that severely affects the resident's well-being and that the absence of such telephone service would create a serious risk of inaccessibility of emergency medical assistance, assistance relating to medical care or professional advice. The certificate shall be effective for 30 days from the time the telephone corporation receives an oral or written certification, whichever occurs earlier. In deciding whether the conditions for a medical emergency are met, the medical doctor or qualified official of the local board of health should use his or her best judgment.

A telephone corporation receiving an initial certificate shall promptly so notify the customer in writing and shall provide information on renewal of certificates, including the form set forth in Appendix 17 of this Title, or such other form approved by the commission if the telephone corporation intends to make a determination concerning a customer's ability to pay charges for service. The telephone corporation also shall issue a reminder notice on renewal of certificates seven days prior to the expiration of the certificate.

(4) Certificate renewal. If the medical condition is likely to continue beyond the expiration of an initial certification, a certificate may be renewed, provided:

(i) a medical doctor or qualified official of the board of health states in writing to the telephone corporation the expected duration of the medical emergency, and explains either the nature of the medical emergency or the reason why the absence of such telephone service would create a serious risk of inaccessibility of emergency medical assistance or assistance relating to medical care or professional advice; and

(ii) the customer demonstrates an inability to pay charges for service. A customer may be required, before the expiration of the initial certification, to submit to the telephone corporation the information required in the form set forth in Appendix 17 of this Title, or such other form approved by the commission for the purpose of demonstrating an inability to pay charges for service. A telephone corporation shall, within five days of submission of such information, determine

whether the customer's liquid assets and current income are insufficient to pay such telephone bills, considering other necessary and reasonable expenses of the customer such as food, shelter, medical and other necessary expenses. Whenever

a telephone corporation determines that a customer has not demonstrated a financial hardship, it shall provide the customer with written notice of determination and the customer's right to review of the determination by the commission

or its authorized designee. A telephone corporation shall stay any suspension or termination activity pending its determination

on the customer's ability to pay and any review of such determination by the commission or its authorized designee. A renewed certificate shall remain in effect for 30 days, provided that in cases certified as chronic by a medical doctor or qualified official of the local board of health, the renewed certificate shall remain in effect for 60 days or such

longer period as may be approved by the commission or its designee. The telephone corporation may require that the statement of financial hardship shall be completed and submitted to the telephone corporation whenever a certificate is renewed.

(5) No telephone corporation shall suspend or terminate such service to a residential customer after the expiration of a certification of medical emergency or after the telephone corporation determines and the commission or its designee

concurs that the customer has an ability to pay charges for service without first sending the customer a final notice of

suspension or termination at least eight days prior to suspension of outgoing service and 20 days prior to the date of termination.

(6) While certification of medical emergencies remains in effect, customers shall remain liable for payment of telephone service and shall make reasonable efforts to pay charges for such service. The authorized designees of the commission

shall be available to offer assistance to customers for working out equitable payment arrangements in order to avoid substantial arrearages at the end of a medical emergency.

(b) Customers who are elderly, blind or disabled. (1) No telephone corporation shall suspend or terminate or refuse to

restore service where a residential customer is known to or identified to the telephone corporation to be blind, disabled, or

62 years of age or older, and all the remaining residents of the household are 62 years of age or older, 18 years of age or

under, blind or disabled, without complying with the procedures specified in this subdivision. A person shall be considered

"disabled" if the person has a disability as that term is defined in the Human Rights Law (*Executive Law, section 292(21)*). A person shall be considered blind if the person has central visual acuity of 20/200 or less in the better eye with

the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered as having a central visual

acuity of 20/200 or less.

(2) In such cases, a telephone corporation shall not suspend or terminate service for an additional 20 days after the date of suspension or termination as stated on the notice and shall make a diligent effort to contact by telephone or in person if telephone contact is unsuccessful, an adult resident at the customer's premises at least eight days prior to the date

on which suspension or termination of service may occur for the purpose of devising a payment plan.

(3) In cases where service has been suspended or terminated and the telephone corporation subsequently learns that the customer is entitled to the protections established under this subdivision, the telephone corporation shall, within 24

hours of such notification, restore service for an additional 20 days and make a diligent effort to contact in person an adult

resident at the customer's premises for the purpose of devising a payment plan. A telephone corporation unable to contact

such person within 24 hours shall make reasonable efforts to achieve contact as soon as practicable.

§ 609.6 Voluntary third-party notice prior to termination of service

Every telephone corporation shall permit a residential customer to designate a third party to receive all notifications relating to suspension and/or termination of service or other credit notices sent to such residential customer, provided that

the designated third party agrees in writing to receive such notices. The telephone corporation shall inform the third party

that the authorization to receive such notices does not constitute acceptance of any liability on the third party for service

provided to the customer. The telephone corporation shall promptly notify the residential customer of the refusal or cancellation of such authorization by the third party.

§ 609.7 Reconnection of service

(a) A telephone corporation shall reconnect suspended or terminated basic local exchange service within 24 hours, unless prevented by circumstances beyond the telephone corporation's control or unless a customer requests otherwise, in

the following situations:

(1) receipt by the telephone corporation of the full amount of arrears for which service was suspended or terminated or upon the elimination of conditions that warranted suspension or termination of service;

(2) agreement by the telephone corporation and the customer on a deferred payment plan and the payment of a down payment, if required, under the plan;

(3) where a telephone corporation has notice that a serious impairment to health or safety exists and telephone service

is necessary to insure accessibility of emergency medical assistance, assistance relating to medical care or professional advice. Doubts as to whether reconnection of service is required for health or safety reasons shall be resolved in favor of reconnection; or

(4) upon the direction of the commission or its designee.

Comment: A telephone corporation may not insist upon payment of lawful charges that did not provide the basis for suspension or termination before restoring service under this subdivision. In these circumstances, payment of other lawful

charges that did not form the basis for the suspension or termination should be part of the deferred payment plan in accordance

with section 609.8 of this Part, unless the customer elects to pay such charge immediately.

(b) Whenever circumstances beyond the telephone corporation's control prevent reconnection of service within 24 hours of any of the events specified in subdivision (a) of this section, service shall be reconnected within 12 hours after

those circumstances cease to exist.

§ 609.8 Deferred payment agreements

(a) No telephone corporation shall suspend, terminate or refuse to restore or provide basic local exchange service to a

residential customer, who has been an existing residential customer for three months and for whom basic local exchange

service has not been terminated for nonpayment during that period because of arrears owed on such person's account,

unless it offers the customer a deferred payment agreement pursuant to this section. Customers with medical emergencies

and customers who are elderly, blind or disabled shall be exempt from such eligibility criteria. However, any such agreement shall not be available to any customer who the commission or its designee determines has the resources available to pay his or her bill. The offer of a deferred payment agreement shall specify the total amount of arrears, the

down payment, the installment payments and the time for making such payments. The telephone corporation shall mail to

the customer not less than six days prior to termination of service, a notice describing to the customer a deferred payment

plan which shall contain a conspicuous, bold-type notice that the customer may obtain the assistance of the commission in

reaching an agreement. Where service is already terminated pursuant to section 609.4 of this Part, such notice shall be

given at the time the customer requests reconnection. A new deferred payment agreement need not be offered to a customer

who is in default on an existing deferred payment agreement; provided, however, that such a customer may have his or her existing payment agreement renegotiated once within a 24-month period if he or she demonstrates that his or her

financial circumstances have changed significantly because of conditions beyond his or her control.

(b) A deferred payment agreement:

(1) shall obligate the customer to make timely payments of current charges for basic local exchange service together with payment of the amount deferred during the pendency of the agreement;

(2) shall be for total amounts up to \$ 150 but may be greater amounts if agreed to by the telephone corporation or directed by the commission or its authorized designee;

(3) shall be for a time period of no less than 5 months unless otherwise agreed to by the customer; and

(4) may require the customer to make a down payment which shall not exceed the lesser of one fifth of the amount deferred or three months of the customer's average billing for basic local exchange service plus the difference, if any,

between the total amount of arrears and the amount being deferred.

(c) Telephone corporations and customers should observe the following practices in developing the terms of deferred

payment agreements: payment of amounts deferred may be made on a weekly, monthly or longer basis, at the convenience

of the parties to the agreement. Telephone corporations must voluntarily offer plans with down payments of lesser amounts than allowed by subdivision (b) of this section when a customer cannot reasonably make a down payment equal

to the amount allowed by subdivision (b). Eligible customers may voluntarily waive their right to make a down payment

of not more than the amount allowed by subdivision (b) of this section, but telephone corporations cannot require or otherwise solicit customers to make such waiver. Amendments of payment agreements should, to the extent reasonable

and practical, reflect the changed circumstances of the customer.

(d) If the telephone corporation believes that a deferred payment agreement should not be offered because a customer

has the resources to pay his or her bill, it shall notify the customer and the commission or its designee in writing of the

reasons for its belief. The commission or its designee shall, in accordance with the complaint procedures set forth in section 609.16 of this Part, forthwith make a determination whether the customer has the resources to pay his or her bill. A

telephone corporation shall stay any suspension or termination activity, and restore or provide service pending the decision

on the telephone corporation's complaint by the commission or its authorized designee.

§ 609.9 Residential basic local exchange service deposits

(a) No telephone corporation shall require any applicant or existing residential customer to post a security deposit as a

condition of receiving basic local exchange service unless the existing residential customer or applicant:

(1) is a seasonal customer or short-term customer;

(2) is an existing residential customer who has accumulated two consecutive months of arrears without making reasonable payment of such charges, defined as one-half of the total arrears, prior to the due date of the second bill, provided

that the telephone corporation requests such deposit within two months of such failure to pay. A local exchange carrier intending to require a deposit of an existing residential customer shall provide a customer written notice, including

the amount of the deposit, at least 10 days before it may assess a deposit, and state that the failure to make timely payment

of the arrears will permit the utility to require a deposit from such customer;

(3) has had basic local exchange service terminated for nonpayment during the preceding six months;

(4) has reportable charges with any other telephone corporation;

(5) does not give a telephone corporation with which he or she is applying for service permission to determine the existence of reportable charges or if the customer has been terminated for nonpayment during the preceding six months on

a previous or current account with other local telephone corporations subject to these regulations; or

(6) fails to provide reasonable proof of identity pursuant to section 609.3(a) (6) of this Part.

(b) Payment of deposit. If a telephone corporation requires a deposit from an existing residential customer or an applicant

for telephone service, it shall permit such customer to pay the deposit in installments over a period not to exceed six months.

(c) Exceptions to deposit authorization. (1) No telephone corporation shall require any person it knows to be a recipient

of public assistance, supplemental security income, or additional state payments to post a security deposit.

(2) No telephone corporation shall demand or hold a deposit from any applicant or existing residential customer it knows is 62 years of age or older unless such customer has had service terminated for nonpayment of bills within the

preceding six months. Telephone corporations shall permit an applicant or existing residential customer 62 years of age or

older to pay the deposit in installments over a period not to exceed 12 months.

(d) Deposit amounts. In any case where customer deposits are authorized by this section, the deposit amount shall not exceed two times the average monthly bill for basic local exchange service for a calendar year in order to secure payment for basic local exchange services actually rendered or for the rental of fixtures, instruments and facilities actually supplied.

(e) Interest on deposits. Every telephone corporation shall allow every customer from whom a deposit is required interest on the amount deposited at a rate prescribed annually by the commission.

(f) Application of deposit to unpaid bill. Each telephone corporation holding customer deposits shall render to each depositor, when and as his or her deposit is applied to an unpaid bill or bills, a statement showing:

(1) the amount of the deposit, together with the interest accrued thereon and the period covered thereby; and
(2) the balance of the bill or bills remaining unpaid or the balance of the deposit and interest thereon remaining to the credit of the depositor.

(g) Refunds. (1) Each telephone corporation shall review the accounts of all existing residential customers who have made deposits at least annually. Each depositor, upon becoming entitled to a refund by reason of nondelinquency for one year or upon ceasing to be a customer, shall receive his or her deposit and all interest thereon which has not been refunded or credited against bills for service.

(2) The telephone corporation shall initiate such refund action and may request the payment of all bills for which such deposit is security.

(3) Any refund may be credited to the customer's account or, at the election of the depositor, the full refund shall be made to the depositor.

(4) For purposes of establishing a refund date when deposits are paid on an installment plan, the date will be the day of receipt of the first installment.

(h) Circular containing terms of deposit. Each and every telephone corporation holding customer deposits shall keep on hand for distribution to its customers a summary of the pertinent features of these requirements and shall inform customers from whom deposits are requested of its availability.

(i) Records. Each telephone corporation holding customer deposits shall keep adequate records with respect to each deposit.

§ 609.10 Backbilling on residential accounts

No telephone corporation shall charge a residential customer for previously unbilled service or adjust upward a bill previously rendered when the period for the unbilled service or billing adjustment is more than 24 months prior to the

mailing of the bill or the upward billing adjustment for service to the residential customer unless the culpable conduct of

the customer caused or contributed to the failure of the corporation to render timely or accurate billing. If the customer is

liable for any service and the delay in billing was not due to the culpable conduct of the customer, the telephone corporation

shall explain the reason for the late billing and shall advise the customer that suspension/termination of service is not permitted for nonpayment of charges billed in excess of six months after the service was provided and that payments

may be made under an installment payment plan. Any such installment plan must be consistent with a customer's ability to

pay and for a reasonable period of time that shall not be less than one month for each month represented by the late-billed

charges, unless otherwise agreed to by the customer. If requested by the customer, the explanation for the late billing and

the installment payment plan will be provided in writing. An adjustment to increase previously rendered bills more than

six months after the time service was provided shall be made within four months of the final resolution of the billing dispute.

§ 609.11 Adjusted payments and other charges

(a) Adjusted payment schedule. Every telephone corporation shall offer residential customers on fixed incomes the opportunity to pay their bills on a reasonable schedule that is adjusted for such customer's periodic receipt of income.

(b) Other charges. No telephone corporation may charge any residential customer a late-payment charge, penalty, fee, interest or other charge of any kind without the approval of the commission for any late payment, collection effort, service termination or deferred payment agreement occasioned by the customer's failure to make timely payment for services.

Nothing in this section shall prohibit a telephone corporation, with the approval of the commission, from imposing a reasonable charge, not in excess of its costs, pursuant to its tariff for restoral of service, dishonored checks and other lawful purposes.

§ 609.12 Contents of bills

Each telephone corporation's bill to a residential customer shall provide, in clear and understandable form and language:

(a) the name, address and account number of the customer, the name of the telephone corporation, the telephone number of the telephone corporation's business office which may be contacted to discuss the bill, amount owed for the

latest period, the date by which payments for the latest period may be paid without a late-payment charge, the late-payment charge for late-paid bills, if any, credits from past bills, any amounts owed and unpaid from previous bills,

and credits and charges which are adjustments to past bills due to service and/or rate increases; and

(b) a statement of how the bill may be paid; and

(c) an itemized listing of the services being subscribed to, and their monthly rates. An identification of those services which are not necessary for basic service shall be included with each new customer's first bill, each existing residential

customer's first bill after a change in service and semiannually for all customers. New customers will be allowed 60 days

to change their type or grade of service, or both, and to cancel any optional nonbasic services without incurring any cancellation or nonrecurring charges other than the original service connection and monthly charges for the period service

was used. Nothing in this section shall preclude a telephone corporation from providing pertinent messages and information

on the bill, provided such information does not interfere with the presentation of the information required by this section.

§ 609.13 Notification requirements

(a) Annual notification of rights. Every telephone corporation shall, at the time service is initiated to a residential customer and at least annually thereafter, provide residential customers with a plain language summary of their rights and

obligations under this Part, or inform customers that such a summary is available and how it can be obtained from the

company. At a minimum, the summary shall include the following:

(1) a description of the complaint-handling procedures available at the telephone corporation and the commission: Comment: Such notice shall clearly state the means by which a complaint can be made to the company and shall also

advise the customer that, if after contacting the telephone corporation, the customer remains dissatisfied, he or she may

contact the New York State Public Service Commission. Such notice shall further state that the Public Service Commission

has a staff available to give assistance in such matters, and shall also specify an appropriate address of the Public Service Commission.

(2) the rights and obligations of residential customers relating to payment of bills, termination of service and reconnection of service;

(3) a description of special protections afforded the elderly, blind, and disabled, and persons with medical emergencies;

- (4) a request that residential customers who qualify for the protections referred to in Section 609.5(b) voluntarily so inform the utility;
- (5) the right of a customer to designate a third party to receive copies of all notices relating to suspension and/or termination of service or other credit notices;
- (6) appropriate forms that customers claiming the protections of section 609.5 of this Part may fill out and return; and
- (7) a description of the customers' rights in regard to deferred payment plans and the holding and demanding of security deposits by the telephone corporation.

(b) Notices in telephone directories. The opening pages of each directory published by the telephone corporations shall contain a conspicuous notice advising customers that, should any utility fail to resolve their complaints regarding service or billing disputes to their satisfaction, they may refer their problems to the Consumer Services Division of the New York State Public Service Commission and the appropriate address and telephone number for the Public Service Commission's Consumer Services Division.

(c) Billing information in non-English language. Every telephone corporation providing service to a county where, according to the most recent Federal census, at least 20 percent of the population regularly speaks a language other than

English, shall include in its telephone directories in such county a notice in both English and such other language which describes the contents of the telephone corporation's bill. At least once a year, every telephone corporation shall mail to all residential customers in such county a notice in both English and such other language spoken regularly by at least 20 percent of the population in such county, which describes the contents of the telephone corporation's bill.

§ 609.14 Emergency disconnections of residences

A telephone corporation may disconnect service to a residence when an emergency may threaten the health or safety of a person, a surrounding area or the telephone corporation's distribution system. The telephone corporation shall act promptly to assure restoration of service as soon as feasible. Service shall be restored to any residence before it may be terminated for any other reason.

§ 609.15 Inspection and examination of telephone corporation apparatus

(a) A duly authorized agent of the telephone corporation may enter any dwelling, building or other location supplied with service by the telephone corporation for the purposes of inspecting and examining the wires and other apparatus furnished by the telephone corporation and leased by customers for ascertaining any service-affecting problems on a nonholiday workday between 8 a.m. and 6 p.m., or at such other reasonable times as requested by a customer. At such time, the agent shall exhibit a photo-identification badge signed by the president or vice-president of the telephone corporation.

(b) The provisions of subdivision (a) of this section shall not apply to the inspection and examination of any such equipment where an emergency may threaten the health and safety of a person, the surrounding area, or the telephone corporation's distribution system.

(c) An agent of the telephone corporation otherwise duly authorized to inspect and examine apparatus, may not enter locked premises without the permission of the person lawfully in control on the premises, nor use any manner of force to carry out inspection and examination, except when an emergency may threaten the health or safety of a person, the surrounding area, or the telephone corporation's distribution system, or where authorized by a court order.

§ 609.16 Telephone corporation complaint-handling procedures

Customer complaints about bills for telephone service deposit requests or other service problems shall first be made to

the telephone corporation. The telephone corporation shall allow complaints to be accepted and processed in a simple manner and form. Every telephone corporation shall promptly investigate any complaint in a fair manner and report the results to the complainant. If the report of the investigation is made orally, the telephone corporation shall provide the complainant, upon request, the report in writing. If the complainant requests the report in writing, the telephone corporation shall send such report in writing within five business days after the request by the complainant. In the event the corporation is unable to give an oral report due to the unavailability of the complainant, either a letter requesting the customer to call the telephone corporation or a written copy of the report shall be sent to the complainant no later than two business days after the results of the investigation are determined. If a letter requesting the customer to call is not responded to by the customer in five business days, a written copy of the report shall be sent to the complainant no later than the seventh business day after such letter was sent to the customer. A telephone corporation resolving a complaint in whole or in part in its favor shall inform the complainant of the availability of the commission's complaint-handling procedures, including the commission's address and telephone number. A telephone corporation shall refrain from suspending or terminating service for nonpayment during the pendency of a complaint before the telephone corporation or the commission and for 15 days after resolution by the telephone corporation, or by the commission or its authorized designee, unless otherwise provided by the commission or its authorized designee; provided, however, that as a condition of continued service during the pendency of such dispute, a customer shall pay the undisputed portions of any bill for service.

§ 609.17 Waiver

Unless otherwise precluded by the Public Service Law or other applicable law, the commission may, for good cause shown or upon its own motion, waive any requirement of this Part.

§ 602.1 Definitions

The following definitions apply to Part 602, Consumer Relations, and Part 603, Service Standards Applicable to Telephone Corporations:

- (a) Service Provider - A telephone corporation certified in New York State with the authority and tariff to provide local exchange service using either its own or leased facilities.
- (b) Basic Local Service - The provision of access to: one party line service, local/toll calling, local usage, tone dialing, emergency services, assistance services, telecommunications relay services, directory listings, privacy protections and non-published service associated with the public switched network.
- (c) Local Exchange Service - Any form of switched telecommunications provided within a defined geographic area known as the local calling area.
- (d) Customer Service Center - Any functional entity where consumers can initiate communication with the service provider for installation, billing, repair, operator and other services.
- (e) Access Line - A telecommunications channel of varying size with an associated telephone number.
- (f) Business Office - Any functional entity which accepts service orders, billing inquiries and/or provides consumer information.
- (g) Repair Office - Any functional entity which receives trouble reports.
- (h) Trouble - A trouble is an impairment of the telephone network, or a deviation from its design specifications.
- (i) Customer Trouble Report - The record of when the repair office personnel receives notification of a trouble or perceived trouble by a subscriber, third party, or employee acting as a subscriber or when other employees receive notification of a trouble or perceived trouble by a subscriber, third party, or employee acting as a subscriber and refers the report to the repair office.
- (j) Initial Report - The first customer trouble report associated with a specific trouble for which there is no pending report.

(k) Out-Of-Service - A classification of a trouble report where the customer indicates either: (1) an inability to complete incoming or outgoing calls; or (2) the presence of interference which causes connected calls to be incomprehensible.

Other service difficulties (slow dial tone, busy circuits, etc.) shall not be considered out-of-service conditions.

(l) Service Affecting - All trouble reports not categorized as out-of-service will be considered service affecting.

(m) Final Trunk Group - The last choice group of common interoffice communications channels for the routing of local, operator and/or toll calls.

(n) Operator Assistance - The act of providing a consumer with help in placing a call including collect, third party billed, person-to-person and emergency calls.

(o) Answer - The point in time when a call has been delivered to a representative who is ready to render assistance and/or accept the information necessary to process the call. An acknowledgment that the customer is on the line does not

constitute an answer.

(p) Subsequent Report - Any customer trouble report that is received prior to the closing of its associated initial report.

§ 602.2 General Provisions

As indicated by their wording, a number of regulations in this Part prescribe the normal procedures and practices to be

directed in good faith by the service provider. However, the regulations in this Part are not intended to govern the implementation

of such procedures in individual instances. The execution or nonexecution of such procedures and practices in individual instances is not the sole indicator of whether the service provider has provided adequate service to a particular

consumer or group of consumers.

§ 602.3 Customer Service Centers

(a) Service providers shall ensure that customers have convenient access, by a toll free telephone number or in person, to customer service centers.

(b) In instances where automated responses are used to handle billing or repair issues, service providers shall configure

their menu system such that a consumer is able to be routed to a representative for billing or repair issues within 60 seconds from the time the automated response begins. In addition, service providers may use additional means of access

(e.g., the Internet) that are not subject to this provision.

(c) Service providers shall provide notice to their customers and to the public as to the means of contacting their customer service centers by notice on the bill and other appropriate means.

(d) Customer service centers ordinarily shall be accessible to consumers during the normal working hours in the community being served and at such other times and in such other places as may be warranted in Sections 602.6(d) and

602.7(b).

(e) Service providers shall strive to provide trained and qualified customer contact personnel.

§ 602.4 Public Information

Access to the following information shall be made available upon request:

(a) Rate information applicable to the area served by the service provider, as provided by Part 630 of this title.

(b) Where a provider's rates are based upon rate area boundaries, maps, listings or other formats used by the provider

showing rate area boundaries sufficiently detailed that mileage or zone charge can be determined.

(c) Information pertaining to changes in services and rates as proposed in an informational filing or a pending tariff or

rate filing.

(d) Upon receipt of a request from a consumer for copies of the above described information, the service provider will

provide a single copy of the information requested, up to 25 pages, without charge.

§ 602.5 Service Orders

(a) Service providers shall receive and respond to applications for tariffed services in a timely manner. Upon the request

of a consumer, each service provider shall provide an explanation of the rates, charges and provisions applicable to the services available, respond to questions the consumer may have, and provide additional appropriate information to

assist the consumer in obtaining the communication service(s) that meet the consumer's needs.

(b) Where special charges for extraordinary construction, maintenance, replacement costs, expenses or overtime work are not specifically set forth in a service provider's tariff, the consumer will be advised of the options available. If the

service provider is to perform any such work for a special charge, the service provider shall offer the customer the option

of accepting a good faith estimate of the charge to be levied, or of being billed on an actual cost basis. Once an estimate is

accepted by the customer it will become binding on both parties, and the customer pays the estimated charge whether the

actual cost is greater or less than the estimate.

(c) Service providers shall notify customers of connection fees and provide an estimated first bill, not reflecting usage

charges, prior to processing the customer's request.

(d) Each service provider shall inform new residential customers of a 60 day grace period whereby such consumer may select a different type of basic local flat rate service or basic local measured rate service from that provider without

incurring any additional connection or installation charges for basic local service. A grace period applies only when the

consumer actually incurred an installation charge for basic local service.

(e) (1) Normally, the service provider shall offer a consumer applying for its initial basic local exchange service an installation appointment interval (e.g., the period of time that a premise visit is to take place) within five working days.

(2) After such an offer, the consumer may nonetheless agree to other terms that better meet the needs of the consumer

and the provider (e.g. installation appointments for either morning or afternoon).

(3) Prior to an appointment, arrangements to access a necessary third party's premises shall be discussed with the consumer.

(f) Normally, when a service provider cannot meet a commitment date to complete an order, the provider shall make a reasonable effort to advise the applicant of the reason for the delay, and probable date service will be provided.

§ 602.6 Billing

(a) Service providers shall clearly list all charges and credits on customers' bills, which shall be issued monthly unless

provided otherwise by tariff. Local service charges may be billed one month in advance and may be listed as a single flat

fee. All toll charges shall be itemized to allow consumer identification unless provided otherwise by tariff.

(b) Credit shall be granted for any call for which a charge applies when the consumer has reported that a wrong number was reached or for that portion of a call the consumer has reported as inadequate for communication, unless there

is reason to believe that an adequate connection to the desired party was effected.

(c) Service providers shall require that agents authorized to receive bill payments on their behalf normally mail or report consumers' payments within one business day.

(d) Service providers shall have a representative available for the purpose of explaining charges on bills and to adjust

bill errors.

(e) Upon reasonable consumer request, each service provider shall provide itemized statements of charges, if feasible,

and if a customer disputes a bill, available call detail bill information shall be provided at no charge. However, requests for

detailed bill information normally bulk billed may be provided at an additional charge pursuant to tariff.

§ 602.7 Consumer Complaints and Trouble Reports

(a) Service providers shall provide full and prompt investigation of complaints, oral or written, received either through

normal reporting channels or through the Commission, and appropriate responses shall be made with respect to complaints.

(b) Service providers shall have a representative available to receive customer trouble reports at all hours.

(c) Troubles of an emergency nature shall be cleared at all hours, consistent with the bona fide needs of consumers and the personal safety of service provider personnel.

(d) All other out-of-service troubles not requiring unusual repairs shall normally be cleared within 24 hours excluding

Sundays and holidays.

(e) Commitments made with consumers should be kept. In the event of unavoidable change by the service provider, such as if unusual repairs are required, or rehabilitation programs or other factors preclude clearing of reported trouble

promptly, reasonable attempts shall be made to notify the customer as to when the trouble will be cleared.

(f) During major service outages of extended duration, the service provider shall make every effort to inform the general public of the details of the outage, including the areas affected and a schedule for expected service restoration. Whenever reasonable and practical, affected offices shall be intercepted and callers advised that a service outage has taken

place, in accordance with accepted industry standards.

(g) All local service providers shall assist consumers reporting obscene, threatening or harassing calls, to help in eliminating such calls.

§ 602.8 Operator Services

(a) Each service provider shall provide access from its exchanges at all hours to local assistance operators who shall be

capable of connecting calls to appropriate emergency services and/or other operator services normally provided by local

exchange companies or their designees, if the service provider is responsible for handling the call.

(b) All telephone corporations, either individually or in concert with other telephone corporations operating within the State, shall be responsible for insuring the provision of a relay system to enable communications between persons with

hearing or speech disabilities, who use non-voice terminal devices, and persons of normal hearing and or speech who use

conventional telephones. The system shall operate on a 24-hour basis. All telephone corporations shall provide annual

notice to advise customers of this service. Pertinent information regarding the relay system shall be included in telephone

directories.

(c) All service providers shall provide network overflow to local operators on all originating trunking that carries emergency calls destined for Enhanced 911 emergency report centers. Each such call overflowing to the operator shall be

identified as an emergency call, and the operator shall have Automatic Number Identification on the telephone line used

by the calling party. As an alternative to provision of overflow to the operator on an originating basis, service providers

may install originating trunking from end offices to Enhanced 911 emergency report centers in such a manner that blocking on such trunks is engineered for less than half the normal blocking design of the public switched network.

On a

terminating basis from the last central office to the emergency report center, overflow to the operator (including Automatic

Number Identification and an indication that the call was originally destined for an emergency center) shall always be provided.

§ 602.9 Intercept

(a) Intercept shall consist of operator intercept or a suitable recorded announcement, providing sufficient information

to callers to indicate the reasons for being intercepted as well as directions to assist them in completing the call.

(b) The service provider shall normally provide intercept service for the following minimum periods:

(1) In case of a customer-initiated residence number change, either sixty days or the remaining life of the normal

alphabetical directory (including local directories), published by the serving service provider or on its behalf, in which the

old number appears plus thirty days, whichever is shorter.

(2) In case of customer-initiated business number change, either sixty days or the remaining life of the normal alphabetical

directory (including local directories), published by the serving service provider or on its behalf in which the old number appears plus thirty days, whichever is shorter.

(3) In case of a company-initiated number change, one hundred and eighty days or the remaining life of the normal alphabetical directory (including local directories), published by the serving service provider or on its behalf, in which the

old number appears plus thirty days, whichever is longer. If at the time of change the new number is noted in all of the

aforementioned current directories, intercept will be provided for thirty days.

(c) Service providers shall strive to update intercept records within 24 hours of a number change.

(d) Each service provider shall provide intercept on calls to non-working numbers, codes, vacant levels, etc., where reasonable and practical.

(e) The local service provider shall not impose charges for intercepted calls.

§ 602.10 Directories

(a) All service providers shall publish directories, or cause their numbers to be published. Directories shall be regularly

published at approximately yearly intervals. The interval between directories shall not exceed 15 months without express

Commission approval. The form of directories shall ordinarily conform to the following criteria:

(1) A directory shall be in such form and list such information, as will permit the numbers of local exchange customers

in the area covered by the directory to be obtained, except for public telephones and numbers unlisted at a customer's request.

(2) Information pertaining to emergency calls to such agencies as the police and fire departments shall appear conspicuously

in the opening pages of the directory.

(3) Instructions concerning the placing of local and long distance calls, shall appear conspicuously in the opening pages of the directory. This section shall include access codes that can be used for placement of long distance calls, for

those interexchange carriers agreeing to have their codes published. Directories will also include a telephone number for

contacting each local service provider that serves the area covered by the directory at no additional cost to the service

provider being listed.

(4) The introduction to the directory shall instruct customers to call the local service provider from which they receive

service for information on billing, party lines, annoyance call procedures, emergency calling procedures and how to obtain tariff information.

(b) Each service provider shall distribute at no charge to its customers within a local exchange area, a copy of the local exchange directory for that area, and one additional copy shall be provided for each working telephone number upon

request. A copy shall be filed with the Commission.

(c) A service provider shall furnish its directory databases to all directory assistance service providers on terms and conditions no less favorable than the service provider furnishes such databases to its own or affiliated directory assistance

service operations.

(d) In the event of an error in a number published in the directory, the service provider shall intercept calls to the published number for the life of the directory where such number is not already in service. Where the published number is

in service, the party served by it shall be given appropriate transfer information, and also the opportunity for a number

change (at no charge). In that event, the normal practice shall be to place the published number on intercept, for the life of the directory listing plus 30 days.

(e) Reasonable advance notice shall normally be given to the consumers affected when a service provider has cause to change a large group of numbers, even if such changes coincide with a directory issuance.

§ 603.1 General Provisions

(a) This part shall apply to telephone corporations that provide local exchange service.

(b) As indicated by their wording, a number of the regulations in this Part prescribe the normal procedures and practices to be directed in good faith by the service provider. However, the regulations in this Part are not intended to

govern the implementation of such procedures in individual instances. The execution or non-execution of such procedures

and practices in individual instances is not the sole indicator of whether the service provider has provided adequate service

to a particular consumer or group of consumers.

(c) The standards set forth herein relate to the quality of service under normal operating conditions. They do not establish a level of performance to be achieved during periods of emergency, catastrophe, natural disaster, severe storm or

other events affecting large numbers of consumers nor shall they apply to extraordinary or abnormal conditions of operation,

such as those resulting from work stoppage, civil unrest, major transportation disruptions or other events beyond a service provider's control.

§ 603.2 Measurements

(a) Service providers shall gather accurate data consistent with the definitions contained in Section 602.1 for those measures indicated by subsection 603.4(c) and:

(1) keep performance records and retain them as specified by Part 651 for each entity level as defined in subsection 603.3 and maintained in a manner that permits audit by Commission staff, and

(2) measure answer time performance as defined in subsection 603.3, for customer service centers that receive a monthly average of more than 275 calls per working day for three consecutive months. Excluded from this provision is

any group of specialized business account representatives established to address the needs of a single large business customer, or a small group of such customers.

§ 603.3 Metrics and Performance Thresholds

(a) This section sets forth the metrics and performance thresholds that each service provider is expected to meet or exceed related to maintenance service, installations, network performance and answer time.

(b) (1) Customer Trouble Report Rate. This is composed of two metrics. The first metric is defined as the number of initial customer trouble reports per hundred access lines per month and has a performance threshold of 5.5 or less for each

central office. The second metric is applicable to service providers with 7 or more central offices, and is defined as the

percentage of a service provider's total central office entities that perform at or below 3.3, and has a performance threshold

of at least 85%.

(2) Reports included in the Customer Trouble Report Rate are limited to troubles associated with the regulated components of residential, business, Centrex and pay telephone service of the service provider's customers, and also includes all regulated features associated with these services except voice mailboxes.

(3) Customer trouble reports received as a result of any network failure are included in the report rate.

(4) Separate trouble reports should be recorded and included in the customer trouble report rate for multiple-line customers, for each access line identified by the customer.

(c)(1) Percent Out-Of-Service Over 24 Hours. This metric is defined as the monthly percentage of customer trouble reports classified as out-of-service which are not cleared within 24 hours. The performance threshold for each maintenance

administrative entity is 20% or less.

(2) Only trouble reports included in the customer trouble report rate shall be used to determine the percent

out-of-service over 24 hours.

(d) (1) Percent Service Affecting Over 48 Hours. This metric is defined as the monthly percentage of customer trouble reports classified as service affecting which are not cleared within 48 hours. The performance threshold for each

maintenance administrative entity is 20.0% or less.

(2) Only trouble reports included in the customer trouble report rate shall be used to determine the percent service affecting over 48 hours.

(e) Percent Initial Basic Local Exchange Service Line Installations Completed Within Five Days. This metric is defined

as the monthly percentage of initial basic local exchange service line installations completed within five working days (following the day the order is received) and has a performance threshold of 80.0% or greater for each installation

administrative entity. This provision shall apply to the primary installation of service as follows: (i) the initial residential

line; or (ii) the initial business customer order of five lines or less.

(f) (1) Percent Installation Commitments Missed. This metric is defined as the percentage of installation commitments

missed per month and has a performance threshold of 10.0% or less for each installation administrative entity.

(2) A missed installation commitment occurs when initial basic local exchange service is not provided to the consumer's

interface on or before the end of the day of the appointment interval with the customer except when due to consumer fault or other condition as defined in subsection 603.3(f)(3).

(3) For purposes of this Section, the terms Consumer Fault and Other are defined to include the following:

(i) Consumer fault occurs when during the appointment interval, the consumer is not ready, there is not access to or there exists unsafe conditions at the consumer's premises, or on or before the commitment date the consumer requests a later date.

(ii) Other circumstances such as set forth in subsection 603.1(c) or the need to reassign a significant portion of the service provider's installation work force in order to re-establish service to existing customers who lost service as a result

of circumstances set forth in subsection 603.1(c).

(g) Percent Final Trunk Group Blockages. This metric is defined as the monthly percentage of blocked calls on any local, toll and local operator final trunk groups and has a performance threshold of 3.0% or less for each final trunk group.

(h) (1) Business Office Answer Time. This metric is defined as the monthly percentage of consumer calls of the business office answered within 30 seconds. The performance threshold for each administrative entity is 80.0% or greater.

(2) Calls answered, 15% of calls abandoned, and 10% of calls blocked or routed to an intercept message are to be included when determining the total number of calls to be answered.

(i) (1) Repair Office Answer Time. This metric is defined as the monthly percentage of consumer calls for repair office service answered within 30 seconds. The performance threshold for each administrative entity is 80.0% or greater.

(2) Calls answered, 15% of calls abandoned, and 10% of calls blocked or routed to an intercept message are to be included when determining the total number of calls to be answered.

(j) Operator Assistance Answer Time. Service providers may elect to report operator assistance answer time under either (i) or (ii) below.

(i) This metric is defined as the monthly percentage of calls for operator assistance service answered within 10 seconds. The performance threshold for each administrative entity is 90.0% or greater.

(ii) This metric is defined as the monthly average speed of answer of calls for operator assistance. The performance threshold for each administrative entity is 3.0 seconds or less.

(iii) For purposes of calculating performance under (i) above, count those calls answered, 15% of calls abandoned, and 10% of calls blocked or routed to an intercept message when determining the total number of calls to be answered.

(k) The following table summarizes the foregoing metrics and performance thresholds.

PERFORMANCE

THRESHOLD

METRIC (Monthly)

Maintenance Service:

Customer Trouble Report Rate (Initial Reports) per individual central office entity 5.5 or less

Percentage of total entities (for those providers with 7 or more offices) 3.3 or less 85.0 or more

Percent Out-of-Service Over 24 Hours 20.0 or less

Percent Service Affecting Over 48 Hours 20.0 or less

Installation Performance:

Percent Initial Basic Local Exchange Service Line Installations Completed Within 5 Days 80.0 or greater

Percent Installation Commitments Missed 10.0 or less

Network Performance:

Percent Final Trunk Group Blockages 3.0 or less

Answer Time Performance:

Business Office Answer Time % Answered within 30 sec. 80.0 or greater

Repair Office Answer Time % Answered within 30 sec 80.0 or greater

Operator Assistance Answer Time % Answered within 10 sec 90.0 or greater

Average Answer Time in sec. 3.0 or less

§ 603.4 Reporting Requirements

(a) The Director of the Office of Communications shall issue guidelines prescribing the format, content and reporting

times (except where otherwise prescribed herein) of each of the reports required pursuant to this Part. The Director's guidelines shall be reasonable, practical, give due consideration to the format of the reports utilized by the service providers

in the operation of their business, and be subject to de novo review by the Commission in the event of a dispute.

(b) Each report shall arrive at the Commission office no later than 30 days following the end of the report period (or such shorter interval as may be reasonable and practical and agreed upon between the Director of the Communications

Division and the service provider).

(c) Unless otherwise specified by the Director of the Communications Division, the following terms for service performance shall apply:

(1) Service providers with 500,000 or fewer access lines in service shall only report on Customer Trouble Report Rate.

(2) Service providers with over 500,000 access lines in service shall report on all of the service metrics of Subsection

603.3.

(d)(1) For all the service quality metrics subject to reporting under Subsection 603.4(c) except Customer Trouble Report Rate and Percent Final Trunk Group Blockages, whenever a performance measure is not at or better than the performance threshold for the current month and any two of the previous four months, a service provider shall automatically

submit to the Commission staff a Service Inquiry Report, as defined in Subsection 603.4(e).

(2) For Customer Trouble Report Rate, a service provider shall automatically submit to the Commission staff a Service Inquiry Report whenever an individual central office entity experiences 5.5 reports per 100 lines or greater for the

current month and any two of the previous four months, or if a service provider has 7 or more central offices and less than

85% of its central office entities experience 3.3 reports per 100 lines or less for the current month and any two of the previous four months.

(3) For Percent Final Trunk Group Blockages, a Service Inquiry Report shall automatically be filed whenever performance

is not at or better than 3.0 percent for three consecutive months.

(4) In addition, Commission staff may request a Service Inquiry Report where deemed appropriate.

(e) A Service Inquiry Report means a report which provides an explanation for the condition giving rise to the report,

where readily determinable, and the number of consumers affected. It shall further include plans for corrective action

including expectations of restoring service to adequate levels, or an explanation of why the corrective action details do not

apply in this specific instance. The report shall be filed within 21 calendar days of a qualifying event as defined in Section

603.4(d). Addenda will be made to the report as necessary if the reporting service provider identifies important additional

information and/or substantially modifies its corrective action plan as described in the Report.

(f) A service provider may request an exemption from any or all of the reporting requirements of Section 603.4, if that

provider can demonstrate that the services are provided through the resale of another service provider's tariffed services or

purchase of another service provider's Unbundled Network Elements (UNEs) over which it has no direct control. The

Director of the Office of Communications will grant or deny such exemption requests on a case-by-case basis.

§ 603.5 Service Interruptions

(a) Each service provider shall establish and implement procedures regarding the construction, operation, and maintenance

of its network, which are intended to minimize service failures, cable cuts, sudden increases in traffic, employee absences, fires, severe storms, and floods and which are intended to maintain, to the extent practical and reasonable, continuous operation of its service in the event of commercial power loss, except where such power is provided by the consumer.

(b) In executing section 603.5(a), each service provider is expected to:

(1) Maintain emergency contingency plans designed to assist personnel to prepare for emergencies, perform repairs and service restorals in the aftermath of such events, and assess company performance and identify opportunities for improvement after conditions have been normalized. An original copy of each service provider's emergency contingency

plan and any subsequent updates shall be filed with the Director of the Office of Communications. The names and telephone

numbers of individuals and any information which, in the opinion of the service provider, could compromise its ability to protect the network against vandalism, terrorist acts, or other potential threats to the network, may be redacted

from the copies of the emergency contingency plans and updates filed with the Director of the Office of Communications pursuant to this Section.

(2) Report major service interruptions to Commission staff per guidelines issued by the Director of the Office of Communications pursuant to Subsection 603.4(a).

(3) Be guided by accepted industry guidelines and best practices, such as the findings and recommendations of the FCC's Network Reliability Councils, relating to fiber optic, signaling, switching, digital cross- connect and power systems,

911, fire prevention, mutual aid and restoration, performance, interconnections, changing technologies, emergency communications, and other topics related to network reliability.

(c) In the event that service must be interrupted for purposes of working on the lines or equipment, the service provider's

work scheduling procedures shall provide that an attempt be made to do the work at a time which will cause minimal

inconvenience to consumers and, where reasonable and practical, to notify consumers in advance of the interruption. The service provider's procedures shall make provision for the availability of required emergency services for the duration of the interruption.

(d) On lines that have been voluntarily suspended or temporarily suspended for non-payment, access should continue to be provided to emergency services such as 911 or to an operator for emergency calling during the suspension period.

§ 605.1 Common carriage

Pursuant to the Public Service Law and the commission's authority and jurisdiction, the rules set forth in this Part establish certain standards and obligations applicable to telephone corporations operating as common carriers.

(a) Definitions. (1) Common carrier means a corporation that holds itself out to provide service to the public for hire to provide conduit services including voice, data, or video by electrical, electronic, electromagnetic or photonic means.

(2) Conduit means the facilities, functions, or media used for providing electric, electromagnetic, electronic, or photonic transmission of communications, including voice, data or video.

(3) Conduit services means the provision of conduit or functions integrally related to the provision of conduit.

(4) Content means the information or intelligence transmitted over a conduit. Information used solely for the provision of a communications "conduit" is not "content."

(5) Content services means those services offered over common carrier conduits, including, but not limited to, point to multi-point connections, which provide content, employ computer processing applications that act on the format, code, protocol or similar aspects of transmitted content; provide additional, different, or restructured content; or involve user interaction with stored content.

(6) Blocking means the ability to prevent the completion of a telephonic communication to a specified telephone number.

(b) General applicability. (1) These rules are applicable to telephone corporations operating as common carriers, and, except as waived or otherwise stated, shall apply to such corporations.

(2) These rules shall not apply to:

(i) cable television services provided by cable television operators exempted from common carrier regulation under 47 U.S.C. 541(c).

(ii) the provision of content services.

(c) Waivers. Where the commission determines that it is in the public interest, it may, for services or types of carriers, waive any portion of these rules.

§ 605.2 Availability of services

(a) General requirements. Telephone corporations operating as common carriers must provide publicly offered conduit services on demand to any similarly situated user on substantially similar terms, subject to the availability of facilities and capacity. Such services shall be provided by a telephone corporation on a first-come, first-served basis unless a party is able to show in a timely fashion that such provision would be unreasonable or unless otherwise ordered by the commission. Additionally:

(1) conduit services shall be made available as services separate from the provision of content;

(2) interconnection into the networks of telephone corporations shall be provided for other public or private networks; and

(3) segregable services and functions requested by users shall be provided to the extent technically and economically practicable.

(b) Restrictions on network use. No telephone corporation operating as a common carrier shall unreasonably restrict lawful network. No restriction may impede access between a content service provider and a willing customer, except where required by law. All restrictions shall be administered in a least restrictive fashion.

(1) Requirements by telephone corporations on users for prior subscription to a particular content services will generally be permissible only where requested by the provider of the service, or required by law, or where a waiver is granted.

(2) End-user initiated blocking shall always be available for content services, to the extent technically and economically feasible.

(c) Video conduit services. To the extent that a telephone corporation may provide video conduit services, it may do so only so long as it provides adequate capacity to content service providers seeking its video conduit services, and treats all users in a nondiscriminatory fashion.

(d) Individualized contracts. Where permitted by the commission, individualized contracts may be offered by telephone corporations operating as common carriers, so long as similarly situated customers are provided, upon request, service upon substantially similar terms. Such contracts may not be used to avoid common carrier obligations.

§ 605.3 Carrier involvement with content

(a) General requirement. No telephone corporation operating as a common carrier shall exercise control or influence over the content of lawful communications tendered to it for distribution. In turn, it has no liability for the content of tendered communications. This does not diminish a telephone corporation's duty to provide service of adequate transmission quality, capacity and timeliness.

(b) Safeguards against abuse. Telephone corporations operating as common carriers shall make reasonable efforts to inform each content service provider, serving the public at large, of the need for safeguards against abuse of its service, appropriate to the nature of the service and the cost and difficulty of such safeguards. In addition, they shall incorporate in the tariffs or contracts pursuant to which services are made available to information providers, a requirement that such providers adopt and apply procedures reasonably designed to provide safeguards against such abuse, including, but not

limited to, the provision of information concerning complaint mechanisms.

(c) Availability of blocking. Telephone corporations shall make available, once technically and economically feasible, facilities giving end-users the ability to block (or delegate the blocking of) individual content services. Until such time that such blocking is readily available, it shall be permissible for telephone corporations to designate particular special interest central office codes which can be blocked at the subscriber's request. Inclusion in such central office codes shall be left to self-selection by the content service provider with independent arbitration and due process protections in the event of a dispute. Such special interest central office codes should be treated nondiscriminatorily, with respect to terms and conditions of services.

FCC 47 C.F.R. Part

§8.3 Transparency.

A person engaged in the provision of broadband Internet access service shall publicly disclose accurate information regarding the network management practices, performance, and commercial terms of its broadband Internet access services sufficient for consumers to make informed choices regarding use of such services and for content, application, service, and device providers to develop, market, and maintain Internet offerings.

Chazy & Westport Telephone

Functionality in Emergency Situations for both voice and broadband

Chazy & Westport Telephone has Automatic Back-Up Generators at both of our Central Offices in the event of a Commercial AC Power failure. These generators do a weekly test under load for 30 minutes. We also have a generator on wheels that can be used in the event of one of our back-up generators fails. We have 16 Remotes with 10 portable generators we are working towards a one to one ratio.

Our Central Offices both have Fiber Redundancy to the closet Verizon Central Office where we get to the "outside world." Since 1993 we have been on Verizon's Ring and we have never lost connection.

Our 16 Remotes are on a OC192 Fiber Ring totally protected with the exception of 3 which are protected in the same Cable (Collapsed). Someday we hope to fix that but the cost will be very high.

FCC 47 C.F.R. § 54.202 Additional requirements for Commission designation of eligible telecommunications carriers.

(a) In order to be designated an eligible telecommunications carrier under section 214(e)(6), any common carrier in its application must:

(2) Demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.

Company complies with the FCC's backup requirements, effective October 16, 2016.

CHAZY WESTPORT TELEPHONE COMPANY
LIFELINE DISCOUNT APPLICATION

What is the Lifeline Program?

The Lifeline Program is a government benefit program intended to assist in making voice service or internet service affordable for all residential customers. Customers that meet the below eligibility requirements will receive the federally authorized credit of \$9.25 on their bills.

In addition, Chazy & Westport Telephone Company, offers additional credits on voice service which vary by location. Customers living in Chazy or West Chazy NY, will receive an additional \$5.69 monthly credit and customers living in Westport NY will receive an additional \$8.56 monthly credit off their voice service.

How to Apply and Who is Eligible for Lifeline Discounts

In order to be eligible for the discount, the applicant must meet set income criteria. In NY, individuals must either receive benefits through one of the below entitlement programs or meet income guidelines established by the Federal Communications Commission of 135% of the **Federal Poverty Guidelines (FPG)**. (see page 5)

Complete the application below and return with proof of eligibility as described in the application to Chazy-Westport Telephone Company. Restrictions do apply. The Lifeline discount is available for one voice service OR internet service, not both, per household; Applicants must be over 18 years of age and cannot be claimed as a dependent on anyone's tax return.

(Please Print)

Name: _____ Qualifying Person's Name _____ Date of Birth ____/____/____
 Street Address (No PO Boxes): _____ Apt. #: _____ City: _____ State _____ Zip Code _____
 Address is __Permanent__ Temporary__ Multi-household Social Security # _____ - _____ - _____ Telephone # _____

I or a member of my household is now receiving assistance from the following programs (check all that apply to you):

☐ Medicaid ☐ Supplemental Nutritional Assistance Program (SNAP also known as food stamps)
☐ Supplemental Security Income (SSI) ☐ Federal Public Housing Assistance ☐ Veterans Disabilities Pension
☐ Veterans Surviving Spouse Pension ☐ HEAP OR ☐ *I am not receiving assistance for these programs, but I meet the financial eligibility requirements of 135% of the Federal Poverty Guidelines (FPG). I have _____ individuals in my household. See Page 5*

You must provide documentation that you/member of your household subscribes to one of the above programs, or that you meet the income requirement.

Lifeline Applicant Certifications: *If you are unable to certify to these statements, you will become ineligible for the Lifeline discount. Please initial on each line and sign below*

IMPORTANT: If you have a SafeLink Wireless Free Cell Phone, provided to low-income individuals and families, you are ineligible to receive the Lifeline credit on your landline telephone with Chazy-Westport Communications.

PLEASE READ and INITIAL the following questions

- _____ * I hereby certify that I have been made aware that the Lifeline program is a Federal benefit program as well as a NYS state program and that willfully making false statements to obtain this benefit will result in de-enrollment from this benefit, but can also result in fines, imprisonment, and/or being barred from the program.
- _____ * I hereby certify that my household, defined as any individual or group of individuals who live together at the same address and share income and expenses will be the recipient of only ONE Lifeline service.

Please Read and INITIAL the following questions

I hereby certify that neither I nor any other member of my household receives Lifeline benefits from any other provider, traditional Landline or Wireless. I understand that violation of the one per household limitation constitutes violations of the FCC's Lifeline Rules and will result in the de-enrollment of the program and may result in fines, imprisonment, and/or being barred from the program. * I hereby certify that I will not transfer this benefit to any other person.

* I hereby give my consent to Chazy-Westport Telephone Company to transmit/verify with the National Lifeline Accountability Database the information that I have provided on my application, including my Name, address, and last 4 digits of my social security number to verify that I/my household does not receive more than 1 Lifeline benefit.

* I hereby certify that I will notify Chazy-Westport Telephone Company within thirty (30) days if for any reason I am no longer eligible to receive Lifeline benefits, including no longer meeting the income-based or program-based criteria or if I determine another member of my household is also receiving Lifeline benefits.

* I hereby certify that if I move to a new address, I will provide that new address to Chazy-Westport Telephone Company within thirty (30) days of moving.

If the address I provided to Chazy-Westport Telephone Company is a temporary address, I agree to verify my temporary residential address every ninety (90) days.

* Chazy-Westport Communications has explained to me that I am required each year to re-certify my continued eligibility for Lifeline. If I fail to do so within 60 days, it will result in the termination of my Lifeline discount

* I authorize and understand that the Chazy-Westport Communications may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.

Important Notice: PLEASE READ and INITIAL the following 11 questions

* I acknowledge that each year, I must re-certify my continued eligibility in the Lifeline program. If I do not return the re-certification documents annually, I will be deemed ineligible and my Lifeline discount will be discontinued.

* I certify that the information provided in this application is true and correct to the best of my knowledge.

BY SIGNING BELOW, YOU CERTIFY TO THE ABOVE INITIAL STATEMENTS.

I certify that the above information is correct. I authorize the NYS Department of Social Services and Chazy-Westport Telephone Company to exchange such information as is necessary to verify my eligibility for the Lifeline discount. I understand that if I am no longer eligible, my lifeline discount will be discontinued.

By signing below, you certify to the above initialed statements

Qualifying person's Signature: _____ Date: _____

Parent/Guardian of qualifying person (if minor): _____ Date: _____

Signature of Applicant if different from above: _____ Date: _____

CONFIDENTIAL INFORMATION SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION
If Applicant is not the qualifying person, both Applicant and qualifying person/Parent/Guardian MUST initial and sign all certifications.

Chazy-Westport Communications

Lifeline Household Worksheet

Lifeline Program support is a Federal benefit that provides a monthly discount on home phone (i.e., landline phone), cell phone or Internet service. Only one Lifeline Program-supported service per household is allowed under Federal law. Answer the questions on the following page to determine if there is more than one household living at your address, and if your household already receives a Lifeline Program benefit.

Providing false information on this form may result in losing your Lifeline Program-supported service and possible criminal penalties.

Your household is everyone who lives together at your address and contributes to, or shares in, the income and expenses of the household. Members of a household are not permitted to receive more than one Lifeline Program-supported service. You are receiving a copy of this form because records indicate that more than one person at this address is receiving a Lifeline Program benefit. Each person at this address who receives a Lifeline Program benefit and has not yet completed and returned a household worksheet will receive a copy of this form, pre-populated with his/her name, address and telephone number.

If you DO NOT share income and expenses with the other adult(s) living at this address who receive Lifeline Program benefits, or there are no other adult(s) living at this address receiving Lifeline Program benefits, you **MUST STILL** sign this form to continue to receive your Lifeline Program benefit. If you fail to do so, you will be de-enrolled from your Lifeline Program benefit.

If you live with another adult(s) who share income and expenses with you and who has a Lifeline Program benefit on his or her phone service, your household is receiving more than one Lifeline Program benefit. If so, you **MUST** take the following steps: (1) consult with the other adult(s) in your household currently receiving a Lifeline Program benefit and decide who will keep the Lifeline Program benefit for the household; (2) the person who will keep the Lifeline Program benefit, AND ONLY THAT PERSON will fill out the form IN FULL and return it to his or her telephone service provider within 30 of days of the date of this communication. The telephone number listed on this form will be the number which will retain the Lifeline Program benefit.

If you have a cell phone that has been provided to you by either the County or another Agency, known as SAFELINK (this is a TracFone) you are ineligible to receive the credit on your landline telephone with Chazy-Westport Communications.

IF THE PERSON IN YOUR HOUSEHOLD WHO WISHES TO KEEP THE LIFELINE PROGRAM BENEFIT FOR THE ENTIRE HOUSEHOLD HAS ALREADY PROVIDED a household worksheet to their service provider, then NO FURTHER ACTION IS NECESSARY. (The person named below does not need to sign and send this form to their ETC).

After 60 days of the date of this letter, all other subscribers at this address below who have not completed a household worksheet will NO LONGER have a Lifeline Program benefit.

Name _____ Telephone Number _____

Street Address _____ Apt # _____ City _____ Zip Code _____

1. Does your husband, wife or domestic partner living at your address have a Lifeline Program-Discounted phone service? (check no, if you do not have a husband, wife or domestic partner)
 - a. ____ No (meaning you do not have a husband, wife or domestic partner with the Lifeline Program Discounted phone service.
 - b. ____ Yes . Please discuss which of ONE you (either you, your husband, wife, or domestic partner) will keep the Lifeline Program benefit. If **YOU** are the person who will keep the Lifeline Program benefit, **check OPTION B at the bottom and sign this Form**. If you are not keeping your Lifeline Program benefit, **DO NOT sign this form**

2. **Does another adult (age 18 or older, emancipated minor) live with AND have a Lifeline Program discounted phone service?** For example, parent, son, daughter, another relative (such as a sibling, aunt, cousin, grandparent, grandchild, etc), a roommate or another person.
- a. ☐ **No** . You are **ELIGIBLE** for the Lifeline Program because no one in your household has a Lifeline Program benefit. **Please check OPTION A below and SIGN THIS FORM.**
- b. ☐ **YES** . Please answer question 3 below.
3. **Do you share expenses for bills, food, or other living expenses AND share income (salary, public assistance benefits, social security payments or other income) with the person in question #2 that has a Lifeline Program-discounted phone service**
- a. ☐ **No**. You are **ELIGIBLE** for the Lifeline Program because no one in your household has a Lifeline Program benefit. **Please check OPTION C below and SIGN THIS FORM.**
- b. ☐ **Yes**. Please discuss which ONE of you will keep the Lifeline Program benefit. If **YOU** are the person who will keep the Lifeline Program benefit, **check OPTION B at the bottom and sign this form. If you are not keeping your Lifeline Program benefit, DO NOT sign this form.**
4. **Do you share expenses for bills, food, or other living expenses AND share income (salary, public assistance benefits, social security payments or other income) with the person in question #2 that has a Lifeline Program-discounted phone service**
- a. ☐ **No**. You are **ELIGIBLE** for the Lifeline Program because no one in your household has a Lifeline Program benefit. **Please check OPTION C below and SIGN THIS FORM.**
- b. ☐ **Yes**. Please discuss which of ONE you will keep the Lifeline Program benefit. If **YOU** are the person who will keep the Lifeline Program benefit, **check OPTION B at the bottom and sign this form. If you are not keeping your Lifeline Program benefit, DO NOT sign this form.**

Please check the box below for the one that applies to you:

OPTION A. [☐] No one in my household, other than myself, is currently receiving a Lifeline Program benefit and therefore I may continue to receive a Lifeline Program benefit.

OPTION B. [☐] There are others in my household that are currently receiving a Lifeline Program benefit; by signing this form, I will be the only member of this household to continue to receive a Lifeline Program benefit.

OPTION C. [☐] There are other adults who reside at the above listed address who receive a Lifeline Program benefit but do not share income and expenses with me, therefore since I am the only member in my household receiving a Lifeline Program benefit, I may continue to receive that benefit.

I certify that the information provided above is true. I understand that violating the one-per-household requirement is against the Federal Communications Commission's rules and I may lose my Lifeline Program benefits, and may be prosecuted by the United States government for violating the rules.

Signature _____ Date _____

(4)

AM I ELIGIBLE?

- Federal Poverty Guidelines

Federal Poverty Guidelines

If your household's income is at or below 135 percent of the federal poverty guidelines, you may be eligible for a Lifeline Program discount.

Household Size	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$16,038	\$20,034	\$18,455
2	\$21,627	\$27,027	\$24,881
3	\$27,216	\$34,020	\$31,307
4	\$32,805	\$41,013	\$37,733
5	\$38,394	\$48,006	\$44,159
6	\$43,983	\$54,972	\$50,585
7	\$49,586	\$61,992	\$57,011
8	\$55,202	\$69,012	\$63,464
For each additional person, add	\$5,616	\$7,020	\$6,453

Chazy & Westport Telephone Corp. (SAC 150079)

Response to Line 3010 – Milestone Certification (47 CFR §54.313(f)(1)(i))

Chazy & Westport Telephone Corporation hereby certifies that throughout 2016, it took reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas and that requests for such service are met within a reasonable amount of time. If a request for broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream is unreasonable, the Company offers broadband service at the highest available speed.

CHAZY AND WESTPORT TELEPHONE CORPORATION

FINANCIAL STATEMENTS
WITH SUPPORTING SUBSIDIARY SCHEDULES

FOR THE YEAR ENDED JUNE 30, 2016

BUSH & GERMAIN, P. C.
CERTIFIED PUBLIC ACCOUNTANTS
SYRACUSE, NEW YORK

BUSH & GERMAIN, PC
CERTIFIED PUBLIC ACCOUNTANTS
901 LODI STREET
SYRACUSE, NEW YORK 13203
PHONE: (315) 424-1145
FAX: (315) 424-1457

September 21, 2016

To The Board of Directors
Chazy & Westport Telephone Corporation
2 Champlain Avenue
Westport, New York 12993

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Chazy & Westport Telephone Corporation, which comprise the consolidated balance sheets as of June 30, 2016 and 2015, and the related consolidated statements of income, stockholders' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Chazy & Westport Telephone Corporation as of June 30, 2016 and 2015, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2016 on our consideration of Chazy & Westport Telephone Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Chazy & Westport Telephone Corporation's internal control over financial reporting and compliance.

Dan Graman, PC

CONSOLIDATED BALANCE SHEETS

JUNE 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 152,026	\$ 569,961
Accounts receivable	544,063	567,217
Materials and supplies inventory	403,947	370,551
Prepaid expenses	94,131	98,676
Note receivable - related party	<u>120,749</u>	<u>117,725</u>
	<u>1,314,916</u>	<u>1,724,130</u>
NONCURRENT ASSETS:		
Patronage capital receivable	170,309	225,978
Investments	119,917	121,844
Cash surrender value of officer's life insurance	110,258	57,530
Intangible assets, net of amortization	-	32,136
Accumulated split-dollar life insurance premiums	605,140	605,140
Goodwill	<u>60,360</u>	<u>60,360</u>
	<u>1,065,984</u>	<u>1,102,988</u>
PROPERTY, PLANT AND EQUIPMENT -- AT COST:		
Plant in service	26,644,380	26,167,597
Plant under construction	<u>253,718</u>	<u>43,891</u>
	26,898,098	26,211,488
Less: Accumulated Depreciation	<u>20,265,768</u>	<u>19,602,551</u>
	<u>6,632,330</u>	<u>6,608,937</u>
TOTAL ASSETS	<u>\$ 9,013,230</u>	<u>\$ 9,436,055</u>

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEETS

JUNE 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 872,275	\$ 932,220
Long-term debt - current maturities	119,663	106,703
Capital lease obligations - current portion	15,372	34,860
Line of credit	-	13,000
Deposits held and advance billings	121,697	76,961
Accrued expenses	72,738	137,156
Regulatory liabilities - current	73,208	55,184
Post-retirement benefit obligation	28,078	26,558
	<u>1,303,031</u>	<u>1,382,642</u>
LONG-TERM LIABILITIES		
Long-term debt	466,727	446,016
Capital lease obligations	-	15,372
Advance billings	556,827	580,639
	<u>1,023,554</u>	<u>1,042,027</u>
OTHER LIABILITIES:		
Deferred income taxes	693,156	748,363
Regulatory liabilities - noncurrent	39,336	125,187
Post-retirement benefit obligation	302,922	298,442
Other liabilities	1,028,774	1,028,774
	<u>2,064,188</u>	<u>2,200,766</u>
STOCKHOLDERS' EQUITY:		
Preferred stock - 5% cumulative; \$100 par value; Authorized 2,000 shares; Issued and outstanding 1,300 shares	130,000	130,000
Common stock - no par value; Authorized 500 shares; Issued and outstanding 140 shares	62,100	62,100
Accumulated other comprehensive income	-	-
Retained earnings	<u>4,430,357</u>	<u>4,618,520</u>
	<u>4,622,457</u>	<u>4,810,620</u>
 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	 <u>\$ 9,013,230</u>	 <u>\$ 9,436,055</u>

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED JUNE 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
OPERATING REVENUES:		
ILEC local service and access revenues	\$ 1,801,018	\$ 1,826,195
Internet access revenues	2,341,729	1,962,454
CLEC service revenues	1,748,158	2,030,642
Long distance	611,956	596,768
Equipment sales	101,624	109,701
Other	138,999	117,102
Uncollectible operating revenues	<u>(42,762)</u>	<u>(22,273)</u>
	<u>6,700,722</u>	<u>6,620,589</u>
OPERATING EXPENSES:		
Cost of sales and services	2,533,296	2,798,937
General and administrative	3,437,766	3,378,612
Depreciation	868,165	863,505
Amortization	<u>32,136</u>	<u>53,664</u>
	<u>6,871,363</u>	<u>7,094,718</u>
Net operating income (loss)	<u>(170,641)</u>	<u>(474,129)</u>
OTHER INCOME AND (EXPENSE)		
Interest income	3,024	3,015
Interest expense	(30,594)	(35,735)
Income (loss) from partnerships	(8,447)	(23,226)
Other income (expense)	<u>2,495</u>	<u>(2,013)</u>
	<u>(33,522)</u>	<u>(57,959)</u>
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	<u>(204,163)</u>	<u>(532,088)</u>
INCOME TAX EXPENSE (BENEFIT)	<u>(22,500)</u>	<u>(169,441)</u>
NET INCOME (LOSS)	<u>\$ (181,663)</u>	<u>\$ (362,647)</u>

The accompanying notes are an integral part of the financial statements.

Exhibit C

CHAZY AND WESTPORT TELEPHONE CORPORATIONCONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITYFOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	PREFERRED STOCK	COMMON STOCK	RETAINED EARNINGS	TOTAL
BALANCE AT JUNE 30, 2014	\$ 130,000	\$ 62,100	\$ 4,987,667	\$ 5,179,767
Net Income (Loss) (Exhibit B)			(362,647)	(362,647)
Preferred stock dividends			(6,500)	(6,500)
BALANCE AT JUNE 30, 2015	\$ 130,000	\$ 62,100	\$ 4,618,520	\$ 4,810,620
Net Income (Loss) (Exhibit B)			(181,663)	(181,663)
Preferred stock dividends			(6,500)	(6,500)
BALANCE AT JUNE 30, 2016	\$ 130,000	\$ 62,100	\$ 4,430,357	\$ 4,622,457

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (181,663)	\$ (362,647)
Adjustments to reconcile net income to		
Net cash provided by operating activities:		
Depreciation	868,165	863,505
Deferred income taxes and credits	(55,207)	10,237
Amortization	32,136	53,664
Cash surrender value - officers' life insurance	(3,767)	(3,675)
(Income) Loss from partnerships	9,445	23,226
Change in assets and liabilities:		
(Increase) Decrease in accounts receivable	23,154	(37,831)
(Increase) Decrease in note receivable	(3,024)	(3,015)
(Increase) Decrease in prepaid expenses	4,545	41,023
(Increase) Decrease in materials and supplies held for resale	(21,399)	(17,453)
(Increase) Decrease in refundable taxes	-	153,360
(Increase) Decrease in patronage capital receivable	55,669	29,518
Increase (Decrease) in accounts payable	(59,945)	161,261
Increase (Decrease) in deposits held and advanced billings	20,924	145,293
Increase (Decrease) in accrued expenses	(64,418)	36,133
Increase (Decrease) in post retirement benefit obligation	6,000	33,000
Increase (Decrease) in regulatory liabilities	(67,827)	(56,067)
Increase (Decrease) in other liabilities	-	299,788
Net cash provided by operating activities	<u>562,788</u>	<u>1,369,320</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(891,558)	(880,854)
(Increase) Decrease in materials and supplies	(11,997)	(10,628)
Distributions from partnerships	13,355	10,713
Purchase of investments	(20,873)	(102,117)
Net cash (used in) investing activities	<u>(911,073)</u>	<u>(982,886)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Repayments of long-term debt	(164,145)	(122,876)
Repayment of line of credit	(13,000)	(40,000)
Proceeds from line of credit	-	53,000
Proceeds from long-term debt	148,855	27,866
Payments on capital lease obligations	(34,860)	(39,420)
Dividends	(6,500)	(6,500)
Net cash provided by (used in) financing activities	<u>(69,650)</u>	<u>(127,930)</u>
Increase (Decrease) in cash and cash equivalents	(417,935)	258,504
Cash and cash equivalents at beginning of year	<u>569,961</u>	<u>311,457</u>
Cash and cash equivalents at end of year	<u>\$ 152,026</u>	<u>\$ 569,961</u>

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF BUSINESS

The Chazy & Westport Telephone Corporation is an incumbent local exchange carrier providing telephone service to customers in the towns of Chazy, West Chazy, Wadhams and Westport, New York. In addition to providing local service the Company provides access and billing and collection services to interexchange carriers, sells and leases telecommunications and computer equipment. It also provides a variety of deregulated communication services in Northern New York State through its subsidiary companies, such as internet access, local and long distance services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned, nonregulated subsidiaries. All material intercompany transactions and balances have been eliminated in the consolidated financial statements.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Regulatory Accounting

The Company maintains its accounts in accordance with the Uniform System of Accounts prescribed for telephone companies by the New York State Public Service Commission (PSC) and Regulated Operations Topic of the FASB Accounting Standards Codification. Where applicable, this accounting recognizes the economic effects of rate regulation by recording costs and a return on investment as such amounts are recovered through rates authorized by regulatory authorities. The Company annually reviews the continued applicability of the above based on the current regulatory and competitive environment.

Property, Plant and Equipment

Property, plant and equipment are stated at original cost. Maintenance and repairs are charged to expense as incurred; expenditures that extend an asset's life are capitalized. Upon retirement the cost is removed from the asset account and the accumulated depreciation reserve. Cost of removal of telephone plant, net of salvage, is charged to the accumulated depreciation reserve.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation

Depreciation is computed for financial statement purposes using the straight-line method over the estimated useful lives of the assets. Total depreciation charged to operations for the years ended June 30, 2016 and 2015 amounted to \$868,165 and \$863,505, respectively.

Advertising

Advertising costs are expensed as they are incurred. Total advertising costs charged to operations amounted to \$18,519 and \$22,490 for the years ending June 30, 2016 and 2015, respectively.

Capitalization of Certain Expenses

The Company has consistently followed the practice of capitalizing certain costs related to construction, including pension, payroll, payroll related costs and significant costs of capital incurred during construction.

Federal Income Taxes

The Company records deferred income taxes arising from temporary differences resulting from differences between the financial statement and tax basis of assets and liabilities. The Company's deferred taxes result principally from fixed assets, advance billings, and pension and regulatory liabilities.

Sales and Excise Taxes

The Company charges non-exempt customers New York State Sales Tax and Federal Excise Taxes on certain types of communication services, which it then remits to the applicable government agency. The Company does not include these amounts in its revenues or its operating expenses.

Revenue Recognition

Telephone revenues are primarily derived from usage of the Company's network and facilities. Wireline local access revenue is recognized over the period that the corresponding services are rendered to customers. Revenues derived from other telecommunication services, including network access to interexchange carriers, long distance and internet related revenues, are recognized monthly as services are provided.

The Company's interstate network access revenues are subject to a settlement process, whereby similar revenues from other telephone companies are pooled on a national basis and are then apportioned back to the companies based upon their cost to provide services. The Company's intrastate network access revenues are currently treated on a bill and keep basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reserve for Uncollectibles

The Company uses the reserve method to record the write-off of uncollectibles. The reserve balance is determined principally by an analysis of prior years net write-offs. The balances as of June 30, 2016 and 2015 were \$56,266 and \$39,721, respectively.

Material and Supplies Inventory

Inventories are stated at the lower of cost or market. Cost is determined using the moving weighted average method. The balances at June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Materials and supplies for plant	\$ 236,347	\$ 224,350
Deregulated inventory		
(items held for resale)	136,562	117,537
Jobs in process	<u>31,038</u>	<u>28,664</u>
	<u>\$ 403,947</u>	<u>\$ 370,551</u>

Intangible Assets

Intangible assets consist of purchased intangible assets, which consists principally of customer lists and accounts. Goodwill represents the excess acquisition cost over the fair value of tangible and identified intangible net assets acquired. Intangible assets are amortized using the straight-line method over the estimated useful lives, ranging from 5 to 15 years. Goodwill is not subject to amortization but is tested for impairment each year. There was no impairment loss recorded for the year ended June 30, 2016.

Reclassification

Certain amounts previously reported for prior periods may have been reclassified to conform to the current year presentation in the accompanying consolidated financial statements. Such reclassifications had no effect on the results of operations or stockholders' equity as previously recorded.

Subsequent Events

Management has evaluated subsequent events through September 21, 2016, the date the financial statements were available to be issued.

CHAZY AND WESTPORT TELEPHONE CORPORATIONNOTES TO CONSOLIDATED FINANCIAL STATEMENTS3. PROPERTY, PLANT AND EQUIPMENT

Plant in service at June 30, 2016 and 2015 was:

	<u>2016</u>	<u>2015</u>
Land	\$ 48,324	\$ 48,324
Buildings	1,990,287	1,943,052
Poles, cable and wire	9,141,525	8,902,418
COE and other equipment	<u>15,464,244</u>	<u>15,273,803</u>
Total property, plant & equipment	<u>\$26,644,380</u>	<u>\$26,167,597</u>

The related accumulated depreciation at June 30, 2016 and 2015 was:

	<u>2016</u>	<u>2015</u>
Buildings	\$ 917,908	\$ 866,760
Poles, cable and wire	5,440,222	5,137,120
COE and other equipment	<u>13,907,638</u>	<u>13,598,671</u>
Total accumulated depreciation	<u>\$20,265,768</u>	<u>\$19,602,551</u>

4. LONG-TERM DEBT

At June 30, 2016 and 2015, the Company had long-term debt as follows:

<u>LENDER</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>BALANCE AT 6/30/16</u>	<u>BALANCE AT 6/30/15</u>
Rural Telephone Bk	08/15/15	5.00%	\$ -	\$ 128
Rural Telephone Bk	04/21/16	5.00%	-	17,655
Altec Capital	01/11/22	5.50%	103,386	-
TD Auto Finance, LLC	08/26/19	3.39%	24,968	31,654
Watertown Savings Bank	11/01/33	5.50%	230,164	237,931
Western Equipment Finance	09/25/18	7.70%	48,379	68,139
DeLange Landon Financial Services	09/15/18	8.11%	48,468	68,139
IBM Credit, LLC	10/15/18	8.07%	75,183	104,459
Ford Credit	10/30/19	5.99%	19,486	24,614
Ford Credit	03/11/21	0.00%	<u>36,356</u>	<u>-</u>
			586,390	552,719
Less Current Maturities			<u>119,663</u>	<u>106,703</u>
LONG-TERM DEBT			<u>\$ 466,727</u>	<u>\$ 446,016</u>

Payments of principal and interest are paid currently on the above advanced funds.

The Rural Telephone Bank (RTB) notes are collateralized by a first mortgage note on the telephone plant as well as most other assets of the telephone company. The mortgage agreement contains certain restrictions on dividends, stock redemptions and other distributions of capital. The RTB notes were paid in full during the year ended June 30, 2016.

The Watertown Savings Bank loan is secured by the building, assignment of rents and leases, corporate guarantees from WTC Communication and a personal guarantee from the company's CEO. Other notes payable are secured by the equipment purchased with the loan proceeds.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. LONG-TERM DEBT (Continued)

Aggregate maturities of long-term debt for the five years subsequent to June 30, 2016 are as follows:

June 30, 2016	\$ 119,663	June 30, 2019	\$ 40,119
June 30, 2017	\$ 127,798	June 30, 2020	\$ 35,635
June 30, 2018	\$ 66,429		

5. LINES OF CREDIT

	<u>2016</u>	<u>2015</u>
Champlain National Bank, \$150,000, Advances require an annual 30 day clean up and carry an interest rate of prime +1.25% (4.75% at June 30, 2016) but not less than 4.50%. This is an unsecured line of credit.	\$ -	\$ 13,000
Watertown Savings Bank, \$200,000, bearing interest at prime + 1.00% (4.50% at June 30, 2016) but not less than 6.00%. Secured by first mortgage on building and guarantees from an officer of the Company (related party) and Westelcom Internet, Inc.	-	-
	<u>\$ -</u>	<u>\$ 13,000</u>

6. RELATED PARTY

Notes Receivable

The Company has a \$100,506 note receivable from a related party for premiums paid by the Company on a split-dollar life insurance policy, which has been canceled. This note is due upon demand and carries an interest rate of 3%. At June 30, 2016, there is accrued interest receivable of \$20,243.

7. INCOME TAXES

The provision for income taxes for the years ended June 30, 2016 and 2015 are summarized as follows:

	<u>2016</u>	<u>2015</u>
Federal Income Taxes:		
Current tax expense (benefit)	\$ -	\$ (219,526)
Deferred income tax expense (benefit)	(67,786)	86,438
	<u>\$ (67,786)</u>	<u>\$ (133,088)</u>
State Income Taxes:		
Current tax expense (benefit)	45,351	-
Deferred tax expense (benefit)	(65)	(36,353)
	<u>45,286</u>	<u>(36,353)</u>
Total Income Tax Expense (Benefit)	<u>\$ (22,500)</u>	<u>\$ (169,441)</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. INCOME TAXES (Continued)

Deferred tax liabilities and assets consist of the following at June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Deferred tax liabilities:		
Property, plant and equipment	<u>\$1,465,032</u>	<u>\$1,408,251</u>
Total deferred tax liabilities	<u>1,465,032</u>	<u>1,408,251</u>
Deferred tax assets:		
NOL carryforward	425,684	280,346
Regulatory liabilities	31,819	50,579
Post-retirement benefit	112,540	110,500
IRS adjustments	3,449	10,985
Advance billings	<u>198,384</u>	<u>207,478</u>
	<u>771,876</u>	<u>659,888</u>
Valuation allowance	-	-
Total deferred tax assets	<u>771,876</u>	<u>659,888</u>
Net Deferred Tax Liability	<u>\$ 693,156</u>	<u>\$ 748,363</u>

The amount of the federal and state net operating loss carryforwards at December 31, 2015 amount to \$938,056 and \$1,174,971, respectively, which will be carried forward and will be used to offset income taxes in future years. The net operating losses begin to expire in the year 2027. There has not been a valuation allowance recorded against the deferred tax asset. There is generally a three year statute of limitations on the federal and state tax returns filed by the company, leaving the years 2012 and after open.

8. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, cash includes amounts on hand and amounts on deposit at financial institutions. Cash consists principally of demand deposits and are in accounts, which are insured by the Federal Deposit Insurance Corporation (F.D.I.C.) up to \$250,000 at each financial institution. As of June 30, 2016, there were no amounts of cash in excess of these F.D.I.C. insured limits. The following is a list of interest and federal income tax payments for the years ending June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Interest paid	\$ 30,677	\$ 36,006
Federal Income Taxes (refunded) paid	-	(171,219)

9. PENSION PLAN

The Company has a 401(k) Plan in place for all eligible employees, where they can contribute a percentage of their salary, subject to IRS limitations. The Company contributes 3% of a participant's salary and matches 50% of the participant's contribution, up to a limit of 3%. The Company's contributions for the years ending June 30, 2016 and 2015 amounted to \$137,519 and \$84,503, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. POST RETIREMENT BENEFIT OBLIGATIONS

The Company does not have a formal post retirement benefit plan for current employees upon retirement. The post retirement benefit obligation recorded on the books of \$331,000 represents the present value of special arrangements with certain current retirees.

11. PREFERRED STOCK

The preferred stock may be redeemed by the Company on any dividend payment date at par plus accumulated dividends. Preferred stock ranks prior to the common stock both as to dividends and on liquidation, but has no general voting rights. However, if preferred stock dividends are in default in an amount equal to three semiannual dividends, the holders of preferred stock shall have the right to elect a majority of the Board of Directors and such voting rights would continue until all dividends in arrears have been paid. As of June 30, 2016 there are no dividends in arrears.

12. INVESTMENTS

The Company's investments in N.Y. Access Billing, LLC, RLEC Holding Company, LLC and NASA, LLC are recorded on the equity method, due to the percentage held or the Company's ability to exercise significant control, and the other investments are recorded on the cost method.

Investments consisted of the following as of June 30:

	<u>2016</u>	<u>2015</u>
N.Y. Access Billing, LLC	\$ 36,574	\$ 35,576
RLEC Holding Company, LLC	26,118	31,259
NASA, LLC	6,125	4,009
Purchase Offer Deposit	50,100	50,000
Other investments	<u>1,000</u>	<u>1,000</u>
	<u>\$ 119,917</u>	<u>\$ 121,844</u>

13. ACCUMULATED SPLIT-DOLLAR LIFE INSURANCE PREMIUMS

Accumulated split-dollar life insurance premiums are the aggregate of the insurance premiums that have been paid by the Company for an officer of the Company (a related party). These premiums are classified as a non-current asset because there is an assignment, in favor of the Company, of all proceeds of the policy to the extent of the accumulated premiums paid by the Company. All amounts in excess will be paid to a third party beneficiary.

14. OTHER COMPREHENSIVE INCOME

There are no components of comprehensive income and consequently comprehensive income is net income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

15. INTANGIBLE ASSETS

The intangible assets are related primarily to purchased customer lists and are being amortized on a straight line basis as follows:

Intangible assets at June 30, 2016 and 2015, consists of the following:

	<u>2016</u>	<u>2015</u>
Customer List: (15 year amortization)		
Cost	\$ 325,000	\$ 325,000
Accumulated amortization	<u>(325,000)</u>	<u>(319,485)</u>
	<u>-</u>	<u>5,515</u>
Customer List: (15 year amortization)		
Cost	480,000	480,000
Accumulated amortization	<u>(480,000)</u>	<u>(453,379)</u>
	<u>-</u>	<u>26,621</u>
Net Intangible Assets	<u>\$ -</u>	<u>\$ 32,136</u>
Total Intangible Amortization for the Year	<u>\$ 32,136</u>	<u>\$ 53,664</u>

16. REGULATORY LIABILITIES

The Company has recorded certain regulatory liabilities pursuant to requirements mandated by the N.Y.S. PSC. The deferral of a gain on the sale of RTB stock has been disposed of by the PSC through a combination of one-time credits given to customers and as an offset to certain plant construction. The deferral amount used as an offset to plant construction will be reduced gradually as depreciation on this plant construction occurs in future years. The remaining balances consist of other regulatory liabilities which will be disposed of by the PSC at a future date. The following is a summary of this account as of June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Deferral of gain on RTB stock	\$ 93,579	\$ 148,763
Other	<u>18,965</u>	<u>31,608</u>
	112,544	180,371
Less: Current Portion	<u>73,208</u>	<u>55,184</u>
Noncurrent Regulatory Liabilities	<u>\$ 39,336</u>	<u>\$ 125,187</u>