

MEMORANDUM

To: Lillian Brion, Telecom Rates Analyst
From: Theresa Staples, TAP Administrator
Date: September 1, 2015
Subject: TAP CY2015, Six Month Review

I have completed my data calculations for TAP's six month review of January through June 30, 2015. The supporting spreadsheet of TAP (*from PUC's TAP database*) can be found in the attachment. Additional spreadsheets are available at your request. I am available for any questions you may have.

SWIFT TAP funds January through June 30, 2015 (state accounting records)		
1.	Fund balance as of 12/31/2014	\$1,539,468
2.	Revenues remitted by companies thru DPS	\$330,569
3.	Interest other revenues:	\$4,071
4.	Expenditures to companies	\$448,783
5.	Other disbursements, administrative, etc.	\$27,025
6.	Fund balance as of 6/30/2015	\$1,398,300

TAP January through June 30, 2015 (PUC's TAP database report, see attachment)		
1.	(4a) Total Access Lines: (June)	1,737,449
Revenues/Collections		
2.	(4b) Total Surcharge Revenues Collected, \$	\$316,927
3.	(4c) Total Deposits made to 911 program, \$	\$318,291
	(6. Fees Remittance Form: Prorated Adjustments, 4b minus 4c)	-\$1,364
Expenditures		
1.	(5a) Total No. of TAP subscribers: (June)	30,757
2.	(5c) Total Credits Reimbursed	\$430,063
3.	(7e) Total Admin. Expenses	\$19,140
4.	(8) Total Reimbursement Requested (<i>calculates 5c + 7e</i>)	\$449,203

DPS January through June 30, 2015 (Dept. of Public Safety records)		
	Wirelines: (June)	1,873,094
	Surcharge Collected:	\$337,886

1) REVENUES:

SWIFT (state accounting records)

2. Revenues remitted by companies thru DPS	\$330,569
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TAP (PUC's TAP database)

3. (4c) Total Deposits made to 911 program	\$318,291
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DPS (Dept. of Public Safety records)

Surcharge Collected:	\$337,886
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\$12,278	SWIFT greater than TAP ¹
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\$7,317	DPS greater than SWIFT ²
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\$19,595	DPS greater than TAP ³
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2) EXPENDITURES:

SWIFT (state accounting records)

4. Expenditures to companies	\$448,783
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TAP (PUC's TAP database)

4. (8) Total Reimbursement Requested (calculates 5c + 7e)	\$449,203
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\$420	TAP greater than SWIFT ⁴
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3) LINES:

TAP (PUC's TAP database)

1. (4a) Total Access Lines: (June)	1,737,449
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DPS (Dept. of Public Safety records)

Wirelines: (June)	1,873,094
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135,645	DPS greater than TAP ⁵
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1) REVENUES:

¹ **SWIFT greater than TAP** - SWIFT receives revenue from DPS. TAP asks what was reported to DPS. TAP would lag in revenue to SWIFT as SWIFT receives revenue from DPS. SWIFT would show an excess of revenue to TAP.

² **DPS greater than SWIFT** - DPS deposits revenues to SWIFT. DPS shows a greater amount than SWIFT. This could be due to a delay in recording DPS deposits to SWIFT.

³ **DPS greater than TAP** - DPS Surcharge Collected and TAP (4c) Total Deposits made to 911 (surcharge). TAP asks what was reported to DPS. TAP revenue is recorded after a lag.

2) EXPENDITURES:

⁴ **TAP greater than SWIFT** - TAP and SWIFT amounts are essentially the same. SWIFT records expenditures after TAP has been reviewed and approved for payment.

3) LINES:

⁵ **DPS greater than TAP** - DPS lines show greater than TAP lines. Companies are reporting lines to DPS but not reporting lines to TAP. Companies maybe holding TAP reports for Annual submittal. Currently, there are eight smaller companies not reporting TAP.

Attachment

TAP Report January-June 30, 2015

Service Provider	4a Access Lines <u>June 2015</u>	5a Subscribers <u>June 2015</u>	4b Surcharge Rev Collected <u>Jan-June 2015</u>	4c Deposits to 911 <u>Jan-June 2015</u>	5c Credits Reimb <u>Jan-June 2015</u>	7e Admin Exps Reimb <u>Jan-June 2015</u>	8 (5c 7e) Total Reimb <u>Jan-June 2015</u>
Access Media 3 Inc	356	0	63	63	0	0	0
Access Point, Inc.	no Q2	no Q2	5	5	0	0	0
Ace Link Telecommunications Inc	1045	130	191	191	914	120	1034
Ace Telephone Association	8025	559	1460	1460	3952	120	4072
ACN Communication Services, Inc.	273	0	33	33	0	0	0
Advanced Integrated Technologies, Inc.	540	0	101	101	0	0	0
AEX Communications, Inc.	138	0	24	24	0	0	0
Albany Mutual Telephone Association	3175	79	570	570	1705	0	1705
Alliance Communications	698	58	126	126	413	0	413
Arrowhead Communications Corporation	464	18	75	75	119	55	174
Arvig Telephone Company	9564	655	1582	1582	4529	0	4529
AT&T Corp (f.k.a. AT&T Communications of the Midwest)	-	-	0	0	571	0	571
BARNESVILLE MUNICIPAL TELEPHONE	1068	133	193	193	914	0	914
Benton Cooperative Telephone Company	3798	202	671	671	1344	50	1394
Big River Telephone Company, LLC	1594	0	280	280	0	0	0
Blue Earth Valley Telephone Company	4719	726	850	850	5026	150	5176
Bridge Water Telephone Company	4457	174	813	813	1218	0	1218
Broadview Networks, Inc.	105	0	18	18	0	0	0
BullsEye Telecom, Inc.	1475	0	222	222	0	0	0
Callaway Telephone Company	246	10	43	43	224	458	682
Cannon Valley Telecom, Inc.	1225	139	223	223	1005	150	1155
Cbeyond Communications, LLC	no Q2	no Q2	242	242	0	0	0
CenturyLink	578066	10751	105650	108079	232708	2803	235511
CenturyTel Acquisition LLC dba CenturyLink Acquisition	1443	0	255	255	0	0	0
CenturyTel of Minnesota, L.L.C.	17963	1006	3245	3245	7053	0	7053
CenturyTel of Northwest WI, LLC	119	6	21	21	42	0	42
Christensen Communications Company	1208	19	218	218	375	350	725
C-I Communications	694	117	126	126	823	50	873
Citizens Telecommunications Company of Minnesota	70102	802	12749	12749	17049	420	17469
City of Windom	1140	33	204	204	235	80	315
Clara City Telephone Company	1041	37	184	184	781	135	916
Clarity Telecom, LLC	-	0	0	0	0	0	0
Clements Telephone Company	132	1	24	24	21	100	121
Comcast Phone of Minnesota, Inc.	308873	0	55276	55276	0	0	0
Consolidated Telephone Company	7154	525	1223	1223	3612	50	3662
Crosslake Telephone Company	1574	17	272	272	371	300	671
Crystal Communications, Inc.	-	-	690	679	3737	68	3805
Dunnell Telephone Company	148	6	26	26	42	0	42
Eagle Valley Telephone Company	487	121	88	88	795	55	850
East Otter Tail Telephone Company	15140	373	2586	2586	7424	2105	9528
Easton Telephone Company	725	79	131	131	546	150	696
Eckles Telephone Company	3264	160	596	596	1092	150	1242
Electric Lightwave, LLC	0	0	0	0	0	0	0

Service Provider	4a Access Lines <i>June 2015</i>	5a Subscribers <i>June 2015</i>	4b Surcharge Rev Collected <i>Jan-June 2015</i>	4c Deposits to 911 <i>Jan-June 2015</i>	5c Credits Reimb <i>Jan-June 2015</i>	7e Admin Exps Reimb <i>Jan-June 2015</i>	8 (5c 7e) Total Reimb <i>Jan-June 2015</i>
Embarq Minnesota, Inc. dba CenturyLink	74637	2236	13574	13574	15729	0	15729
Emily Cooperative Telephone Company	1276	113	206	206	774	75	849
Eventis, Telecom	-	0	0	0	0	0	0
Eschelon Telecom of Minnesota, Inc.	10667	0	1986	1986	0	0	0
Farmers Mutual Telephone Company	-	-	232	232	602	40	642
Federated Telephone Cooperative	-	-	786	786	2461	36	2497
Felton Telephone Company	472	15	84	84	98	60	158
FiberNet Monticello	878	0	157	158	0	0	0
First Communications, LLC	358	9	67	67	0	0	0
Frontier Communications of Minnesota	51079	578	9369	9369	12114	339	12452
Garden Valley Telephone Company	12518	265	2215	2213	5597	101	5697
Gardonville Cooperative Telephone Association	2902	150	516	516	1047	0	1047
GC Pivotal, LLC	0	0	0	0	0	0	0
Granada Telephone Company	118	12	22	22	84	150	234
Halstad Telephone Company	1620	55	300	300	385	110	495
Harmony Telephone Company	781	106	140	140	714	150	864
Hiawatha Broadband Communications Inc	12740	90	2235	2234	1894	0	1894
Home Telephone Company	1295	20	235	235	487	240	727
Hutchinson Telecommunications, Inc.	1846	224	331	331	1544	104	1648
Hutchinson Telephone Company	6100	307	1104	1104	2153	80	2233
Integra Telecom of Minnesota, Inc.	74919	0	13828	13828	0	0	0
Interstate Telecommunications Coop., Inc.	1352	130	244	244	888	0	888
Jaguar Communications Inc	5630	82	990	990	571	80	651
JOHNSON TELEPHONE COMPANY	1500	364	258	257	2517	0	2517
Lismore Cooperative Telephone Company	298	12	54	54	84	0	84
Local Access Network, LLC dba Milaca Local Link	569	69	105	105	480	50	530
LONSDALE TELEPHONE CO., INC	1733	55	311	311	392	0	392
Loretel Systems	9005	568	1533	1533	3693	60	3753
MABEL COOPERATIVE TELEPHONE COMPANY	678	24	120	120	511	300	811
Mainstreet Communications	1551	52	282	282	1113	458	1571
Manchester-Hartland Telephone Company	517	27	92	92	189	125	314
Mankato Citizens Telephone Company	-	-	1381	1416	9942	194	10136
Matrix Telecom, Inc. d/b/a Matrix Business Technologies d/l	455	0	74	74	0	0	0
MCC TELEPHONY OF MINNESOTA, LLC	-	0	0	0	0	0	0
McLeodUSA Telecommunications Services, Inc.	13181	10	2644	2638	221	0	221
Melrose Telephone Company	6930	249	1245	1245	5117	1632	6749
Metropolitan Telecommunications of Minnesota, dba MetTr	2253	0	410	409	0	0	0
Mid-Communications, Inc.	-	-	464	464	3346	81	3427
Midcontinent Communications	20912	204	3706	3706	4053	150	4203
Mid-State Telephone Company	5942	355	1050	1050	2496	0	2496
Midwest Telephone Company	2052	90	367	367	1827	168	1995
Minnesota Valley Telephone Company	530	34	96	97	214	0	214
Mitel Cloud Services, Inc. fka Mitel NetSolutions, Inc.	240	0	43	43	0	0	0
Nebraska Technology & Telecommunication, Inc	2944	73	551	176	1607	22	1628

Service Provider	4a Access Lines <i>June 2015</i>	5a Subscribers <i>June 2015</i>	4b Surcharge Rev Collected <i>Jan-June 2015</i>	4c Deposits to 911 <i>Jan-June 2015</i>	5c Credits Reimb <i>Jan-June 2015</i>	7e Admin Exps Reimb <i>Jan-June 2015</i>	8 (5c 7e) Total Reimb <i>Jan-June 2015</i>
New Ulm Telecom, Inc.	7546	606	1358	1358	4214	270	4484
Nextera Communications, LLC	-	0	0	0	0	0	0
NOS Communications, Inc.	3	0	0	0	0	0	0
Onvoy, LLC	481	0	85	85	0	0	0
OrbitCom, Inc	no Q2	no Q2	98	98	0	0	0
Osakis Telephone Company	1381	34	241	241	648	240	888
Otter Tail Telcom LLC	4809	22	823	823	462	300	762
Park Region Telephone Company	3073	29	529	529	578	300	878
Paul Bunyan Rural Telephone Cooperative	29233	895	5150	5116	6153	72	6225
Peerless Network of Minnesota, LLC	0	0	0	0	0	0	0
Peoples Telephone Company	1794	42	304	304	903	360	1263
Pine Island Telephone Company	2193	113	398	398	774	150	924
Polar Communications Mutual Aid Corporation	88	3	16	16	21	0	21
Red River Rural Telephone Association	1087	39	179	179	270	45	315
Redwood County Telephone Company	4329	51	787	787	1008	132	1140
Reliant Communications, Inc.	0	0	0	0	0	0	0
Rothsay Telephone Co.	425	30	76	75	203	40	243
Runestone Telecom Association	3620	106	645	645	2100	0	2100
Sacred Heart Telephone Company	323	12	58	58	263	135	398
Scott Rice Telephone Company	9152	238	1701	1701	1666	70	1736
Sleepy Eye Telephone	4672	131	845	845	900	100	1000
Spectrotel, Inc.	119	0	17	17	0	0	0
Spring Grove Communications	1145	175	205	205	1190	0	1190
Sprint Communications Company LP	1103	0	82	82	0	0	0
Starbuck Telephone Company	954	56	168	168	1190	135	1325
TDS Metrocom, LLC	24589	0	4537	4537	0	0	0
Tekstar Communications	14530	346	2142	2142	5793	1556	7348
Telephone Associates Inc	3264	108	585	585	0	0	0
Teleport Communications America, LLC (f.k.a. TCG)	-	0	0	0	0	0	0
TeleQuality Communications, Inc.	0	0	0	0	0	0	0
TNCI Operating Company, LLC	112	0	22	22	0	0	0
Twin Valley-Ulen Telephone Company	2843	95	500	500	1911	595	2506
Upsala Cooperative Telephone Association	764	34	136	136	749	0	749
Val-Ed Venture, LLP dba 702 Communications	1859	5	335	335	112	0	112
Valley Telephone Company	349	26	62	62	147	100	247
Velocity Telephone, Inc.	4758	16	999	285	392	875	1267
West Central Telephone Assn.	3522	75	619	620	1593	228	1821
Western Telephone	1412	211	252	252	1449	100	1549
Wholesale Carrier Services, Inc.	0	0	0	0	0	0	0
Wikstrom Telephone Co Inc.	6091	656	1059	1059	4585	0	4585
Windstream EN-TEL, LLC	730	11	139	139	231	0	231
Windstream Lakedale Link, Inc.	690	15	218	218	329	0	329
Windstream Lakedale, Inc.	19152	225	3459	3461	4648	413	5061
Windstream Northstar, LLC.	1465	32	563	563	602	0	602

Service Provider	4a Access Lines <i>June 2015</i>	5a Subscribers <i>June 2015</i>	4b Surcharge Rev Collected <i>Jan-June 2015</i>	4c Deposits to 911 <i>Jan-June 2015</i>	5c Credits Reimb <i>Jan-June 2015</i>	7e Admin Exps Reimb <i>Jan-June 2015</i>	8 (5c 7e) Total Reimb <i>Jan-June 2015</i>
Winnebago Cooperative Telecom Association	948	10	169	169	197	0	197
Winsted Telephone Company	1135	60	201	201	431	0	431
WINTHROP TELEPHONE COMPANY	632	21	115	115	137	70	207
Wolverton Telephone Company	125	3	21	21	21	0	21
Zayo Enterprise Networks, LLC	3110	0	550	550	0	0	0
Zumbrota Telephone Company	1429	29	258	258	630	135	765
Public Total	1,555,755	28,074	285,464	286,787	430,063	19,140	449,203
Trade Secret Total	181,694	2,683	31,462	31,504	0	0	0
Public and Trade Secret Grand Total	1,737,449	30,757	\$316,927	\$318,291	\$430,063	\$19,140	\$449,203

8/31/2015

Highlights of the six months ending June 30, 2015, TAP report with comparative data of CY2014, and possible choices for projection data points.

Description	Source of Data/Period	Jan-Dec 2014	Jan-Jun 2015
No. of Access Lines	TAP database	1,885,102	<i>Q1</i> 1,734,857¹ <i>Q2</i> 1,737,449² <i>average of Q1 and Q2</i> 1,736,153 <i>end of June</i> 1,737,449
No. of TAP Subscribers	TAP database	33,802	<i>Q1</i> 30,570³ <i>Q2</i> 30,757⁴ <i>average of Q1 and Q2</i> 30,664 <i>end of June</i> 30,757
Amount of Surcharge	Jan-Sept Oct-Dec	\$ 0.03 \$ 0.03	\$ 0.03 \$ 0.03
Amount of Credit	Jan-Sept Oct-Dec	\$ 3.50 \$ 3.50	\$ 3.50 \$ 3.50
Total Remittances	Swift (state accounting records)	\$ 702,318	\$330,569
Total Reimbursements	Swift (state accounting records)	\$ 1,137,321	\$448,783
Fund Balance, end of period	Swift (state accounting records)	\$ 1,539,468	\$1,398,300

¹ Number of lines for March 2015 (896,971) + number of lines Quarter Jan-March 2015 (837,886) = 1,734,857

² Number of lines for June 2015 (893,939) + number of lines Quarter April-June 2015 (843,510) = 1,737,449

³ Number of subscribers for March 2015 (15,355) + number of subscribers Quarter Jan-March 2015 = 30,570

⁴ Number of subscribers for June 2015 (15,247) + number of subscribers Quarter April-June 2015 (15,510) = 30,757

SUMMARY OF TAP SWIFT ACCOUNTING SYSTEM DATA AS OF JUNE 30, 2015

12-31-2013 Fund Bal.		\$ 2,016,810	
CY2014 Revenues From TAP Fees		\$ 702,318	1,950,883 CY2014 Average No. of Lines Per Mo.
CY2014 Other Revenues, Interest		\$ 8,533	
CY2014 Expenditures (Reimbursements)	\$1,137,321		27,079 CY2014 Average No. of TAP Subscribers Per Mo.
CY2014 Other Expenditures (Reimbursements)	\$ 50,872		
12-31-2014 Fund Bal.		\$ 1,539,468	\$ 39,779 CY2014 Average Mo. Fund Reduction
January-June 2015 Revenue From TAP Fees		\$ 330,569	1,836,494 January-June 2015 Average No. of Lines Per Mo.
January-June 2015 Other Revenue, Interest		\$ 4,071	
January-June 2015 Expenditures (Reimbursements)	\$ 448,783		21,370 January-June 2015 Average Number of TAP Subscribers Per Mo.
January-June 2015 Other Expenditures	\$ 27,025		
06-30-2015 Fund Bal.		\$ 1,398,300	\$ 23,528 January-June 2015 Average Mo. Fund Reduction
			1,737,449 June 2015, Number of Lines
			30,757 June 2015 Number of TAP Subscribers
			\$.03 cents Per Mo. Current Surcharge
			\$ 3.50 Per Mo. Current Benefit