

ETC ANNUAL REPORT PER WAC 480-123-070 AND WAC 480-123-080  
Contains Certifications Required by WAC 480-123-060 and 070

Consolidated Communications of Washington Company, LLC (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.

Report 1: Report on use of funds: WAC 480-123-070(1)(a):

The Company used support from the federal high-cost fund in 2019 as follows:

In 2019, the Company spent [REDACTED] meeting its CAF II broadband deployment obligations in Ellensburg, Kittitas, Rainier and Yelm. It also invested [REDACTED] to expand and upgrade its existing outside plant network, providing more reliable local and advanced telecommunications services to customers throughout its footprint. Additionally, the company invested [REDACTED] in its IP and core infrastructure in order to provide additional network capacity.

For 2019 the Company's total gross capital expenditures were [REDACTED]. The Company's 2019 operating expenses were [REDACTED].

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses report under Report 1, above, benefited the customers as follows:

The customers served by the Company benefited from the use of high-cost fund support by continuing to receive high quality telecommunications services.

Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. § 254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC<sup>1</sup>. The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1 above, generally benefit all customers receiving the federal high-cost fund supported services from the Company within its designated ETC service area. The Company continues to expand its network to be better capable of providing access to broadband services throughout most of the Company's designated ETC service area. The Company offers services that are comparable to services offered in urban area at rates that are comparable to rates for such services in urban areas.

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<sup>1</sup> The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

Report 3: Local Services Outage Report: WAC 480-123-070(2):

None

Report 4: Report on Failure to Provide Service: WAC 480-123-070(3):

None

Report 5: Report on Complaints per 1000 Connections: WAC 480-123-070(4):

Consolidated Communications of Washington Company, LLC had the following 7 complaints in 2019.

Attorney General Complaint

- Business customer claimed billing for yellow page ad. There was no billing taking place. Matter resolved.

WA UTC Complaints

- Residential customer paying for unlisted number which was listed in 2019 phone book.
- Credit was issued and the account updated to no longer publish moving forward. Matter resolved.
- Residential customer complained of internet service issues, Matter Resolved by field technician.

FCC Complaints

- Residential customer questioning FUSF charges, charges explained, matter resolved.
- Residential customer internet service issues, resolved by field technician.
- Residential customer indicating that CCI would not put service on “hold/vacation mode” to temporarily suspend services. Customer's account was disconnected for non-pay at the time. Account was brought current and vacation mode explained to customer. Matter resolved.

Report 6: Annual Plan: WAC 480-123-080(1):

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington State for the period January 1, 2020, through December 31, 2020 are [REDACTED]. Of the total, [REDACTED] is related to new investment and [REDACTED] is related to capitalized maintenance expense.

[REDACTED]

The Company expects that levels of expenses will remain relatively the same as those it experienced in past calendar years, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period, even considering the impacts of the COVID-19 pandemic.

Report 7: Plan of Investments and Expenditures: WAC 480-123-080(2):

Detail of planned capital expenditures by category may be found in Table A, attached. The Company expects that the continued receipt of federal high-cost support will allow the Company to continue to provide the supported services at rates that are comparable to the rates for such services in urban areas. All customers in the Company's designated ETC service area will benefit from the expected level of support by continuing to have available to them services that are comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.

Consolidated Communications of Washington Company, LLC  
WAC 480-123-080  
TABLE A

Parent Category Description	2020 Budget
[REDACTED]	[REDACTED]
Construction/Deployment	[REDACTED]
[REDACTED]	[REDACTED]
Capitalized Expense	[REDACTED]
2020 Budget	[REDACTED]