

EXHIBIT 1

CORPORATE ORGANIZATION CHART

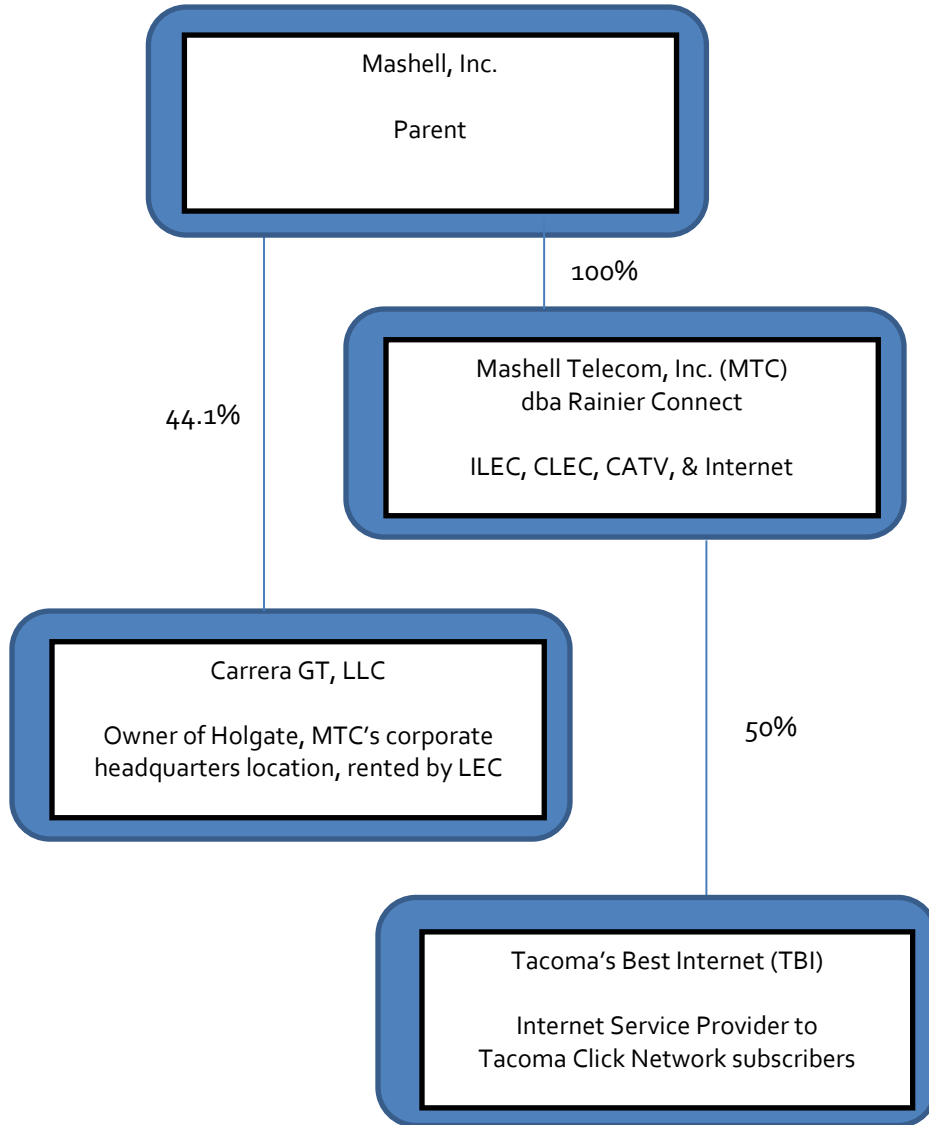


EXHIBIT 2

AFFILIATED TRANSACTIONS

Mashell Telecom, Inc. rents office space, utilized as corporate headquarters and network operations center, from its affiliate, Carrera GT, LLC. This leased property facilitates both the ILEC and CLEC operations of the business and is appropriately allocated between regulated and nonregulated operations using Part 64 factors and recorded in account 6121.0, Land & Building Expense-Rents.

During 2015, the Company along with another Click Preferred ISP, NetVenture, transferred all Click Network Subscribers to an affiliate Tacoma's Best Internet, LLC. This transfer provided the Company with a 50% membership equity in TBI. The Company entered into a management agreement with TBI to provide support to TBI's entire subscriber base. This agreement applies only to CLEC operations and all associated expenses and revenue are properly allocated to nonregulated operations.

Certain shareholders holding five percent or more of the stock, directly or indirectly, of the Company are also employees of the Company and receive from the Company employment compensation together with employment-associated benefits in accordance with benefit plans that are in place.

EXHIBIT 3

DEMONSTRATION OF RISK OF RATE INSTABILITY OR SERVICE INTERRUPTION OR CESSATION

The emergence of fast evolving digital technologies, increased regulatory pressure and global economic uncertainty are all key factors in the current risk in the telecommunications industry. Short innovation cycles are creating challenges for the Company to bring new products and services to end-users at shorter intervals. Company profitability and liquidity are at risk due to market competition, changing consumer spending and current financial conditions. With continued profitability decreases the Company will be unable to effectively and efficiently invest and upgrade the network and IT technology. The Company is facing a loss of traditional universal service fund revenues of approximately \$69,116 per year if its participation in the Program is not renewed.

The overall financial condition of the Company is detailed on other Exhibits to this Petition. What this information demonstrates is that, when adjusted to eliminate the support from the state Universal Communications Services Program that the Company received or accrued in 2017, the Company's total regulated revenue decreased by 1.3 percent from 2011 through 2018. The Company experienced an increase in rate base over 2016 of \$5.0M; however, the Company maintains a negative rate of return at -4.46%. The Company has looked for ways to lower expenses. However, much of the Company's operating expenses are fixed obligations, such as debt-related payments.

Over the past ten years, the Company has seen competition from low-cost providers and over the top service providers intensify. The Company continuously finds itself unable to compete against the price, network coverage, quality of product and customer relationship offered by market competitors such as cable companies and mobile service providers without significant investments in aging plant. Price deflation driven by competition for voice and data service in the fixed network result in reduced growth of revenue. Since 2011, the Company has lost 1,974 access lines, of which 1,287 were transitioned to Consumer Broadband Only (CBOL) service.

In an effort to maintain market share and remain competitive, the Company has taken steps to increase the availability and attributes of advanced services. This has resulted in the Company making considerable network investments over the past several years and an increase in long-term debt. Since 2011, the Company has made additional investments in regulated plant of approximately \$8,219,126; of which \$6.4M was invested over the past two years. The Company obtained additional debt of \$17M to fund a four-year plan (2015-2018) to upgrade aging portions of its outside plant and network infrastructure to a FTTP (Fiber-to-the-premise) architecture. The FTTP network architecture will provide customers' access to voice, multimedia, and data services over one unified access platform. The funds received from the universal service communications program can be viewed as contributing to the Company's ability to perform these projects, including, without limitation, the repayment of loan funds.

The Company continues to face financial uncertainty due to changes in telecommunication laws, rules, policies and regulations. The stringent regulation by the Federal Communications Commission since 2012 for carriers to increase local exchange rates in order to be in compliance with the national urban rate floor has exacerbated the disconnection of service by customers.¹

In addition, the USF/ICC Transformation Order has built in an automatic decline in the Company's intrastate and interstate access revenues. The intercarrier compensation portion of the Transformation Order introduces a concept of a base line year for calculating terminating access and reciprocal compensation revenues and provides support from the Connect America Fund ("CAF") based on the base line year. However, the base line year revenues (from which the level of CAF support is derived) are reduced iteratively by five percent each year. "The CAF support reduction began in July 2012. Projecting through the year ending June 30, 2019, including reductions that will occur July 1, 2018, the Company has seen a reduction in support from the base line revenue of approximately \$148,428.

The combination of factors noted above creates a situation in which, without support from the state universal communications services program, the Company may be faced with a choice of increasing rates further or reducing service in order to be able to match expenses to revenues. Neither choice presents a viable path for providing continued high quality service to customers. The dilemma presented by these choices reflects the risk of rate instability or service interruption or cessation to which the Company is subject.

Exhibit 7
Report Corporate Operations Expense Adjustment
As Required in WAC 480-123-110(1)(e)(vi)

The following amounts of corporate operations expense were required by 47 C.F.R. § 54.1308(a)(4)(ii) to be excluded by MASHHELL TELECOM, INC. [d/b/a RAINIER CONNECT] (“Company”) from corporate operations expense that, for 2016, was input in both the Federal high cost loop support and interstate common line support cost studies of the Company for the Company’s study area(s) in the State of Washington, or that, for 2017, was input in both the high cost loop support and broadband loop support (in part, replacing interstate common line support) cost studies of the Company for the Company’s study area(s) in the State of Washington: for 2016, \$136,426; for 2017, \$0.

Dated this 27th day of July, 2018

Brian Haynes / President and CEO

Notes:

1. Report corporate operations expense excluded or disallowed pursuant to application of 47 C.F.R. § 54.1308(a)(4)(ii), NOT the revenue impact of such exclusion or disallowance.
2. The disallowed corporate operations expense amounts will only be considered by Staff if the Company is potentially overearning. These amounts WILL NOT be reported on the income statement template.

EXHIBIT 8

FINANCIAL ACCOUNTING CERTIFICATE

I, Brian Haynes, an officer of Mashell Telecom, Inc. with personal knowledge and responsibility, based upon my discussions with Company staff and outside consultants retained by the Company to handle such matters, under penalty of perjury, state that the Company complies with state and federal accounting, cost allocation and cost adjustment rules pertaining to incumbent local exchange companies.

Dated this 27th day of July, 2018.

Brian Haynes / President and CEO

EXHIBIT 9

CONTINUED OPERATIONS CERTIFICATE

I, Brian Haynes, an officer of the Company, under penalty of perjury, hereby certify that if the Company receives Program support, the Company will continue to provide communications services pursuant to its tariffs on file with the Commission throughout its service territory in Washington for which the company is seeking and receives Program support during the entirety of 2017.

Dated this 27th day of July, 2018.

Brian Haynes / President & CEO