

REPORT OF WESTERN WAHAKIYAKUM COUNTY TELEPHONE COMPANY UNDER THE
WASHINGTON UNIVERSAL COMMUNICATIONS SERVICES PROGRAM
IN COMPLIANCE WITH WAC 480-123-130

July 1, 2018

Docket No. UT-170849

1. WAC 480-123-130(1)(a) - Access Lines Served [NECA 1.3 working loops]

| | January 1, 2017 | December 31, 2017 |
|-------------|-----------------|-------------------|
| Residential | 848 | 863 |
| Business | 194 | 191 |

2. WAC 480-123-130(1)(b) - Use of Support

The funds received by the Company from the universal communications services program in calendar year 2017 represent monies that the Company formerly received through the Washington Exchange Carrier Association (WECA) pooling process and the reduction of support under the Federal Communications Commission's (FCC's) Connect America Fund InterCarrier Compensation Fund (CAF ICC) program. As such, the funds from the universal communications services program contributed to defrayal of the ongoing operation and maintenance expenses of the Company. The funds from the universal communication services program are contributing to the Company's ongoing provision of high-quality basic telecommunications service to customers residing in the area the Company serves.

In December 2017, the Company received \$321,119 from the universal communications services program for the fiscal year ending June 30, 2018.

The Company's activities during the first six months of 2018 have included the following:

1. Purchase of Calix routing and transmission equipment, optical network terminals (ONTS), equipment housings and E7 shelves to improve quality and reliability of the Company's network. This project will ultimately serve and estimated population of 2,345. Payments to supplier Calix for this project during this period totaled \$176,005.
2. Construction – removal/replacement installation of two fiber optic distribution housings and associated fiber optic splitters adjacent to Knappton Rd. This project

will serve an estimated population of 43. This project – which was commenced and completed during this period – cost approximately \$27,953.

3. Repayment of Rural Utility Service (RUS) loans for construction of fiber optic facilities to the home and related network and switching improvements. These projects will ultimately serve an estimated population of 2345. Payments to RUS made in this period totaled approximately \$125,129, of which approximately \$29,593 was attributable to amounts reported in prior reports of this nature as having been spent during the periods then reported.

The funds received from the universal communications services program can be viewed as contributing to the Company's ability to perform those activities including, without limitation and to the extent applicable, the repayment of loan funds.

The Company's plans for the second six months of 2018 include the following:

1. Construction of additional ONT's as part of the Calix network upgrade. This project will serve an estimated population of 2,345. It is estimated that payments to supplier Calix during this period for this project will be approximately \$159,000.
2. Repayment of RUS loans for construction of fiber to the home and related network and switching improvements. This project will ultimately serve an estimated population of 2,345. It is estimated that such payments made during this period will be approximately \$125,000.
3. WAC 480-123-130(1)(c) - Unfilled Consumer Requests for New Basic Telecommunications Service*

None

*Service requests that are ongoing but still within normal processing times are not counted as unfulfilled.

4. WAC 480-123-130(1)(e) - FCC Form 477

This form was previously filed on or about March 1, 2018, under Docket No. UT-180002.

5. WAC 480-123-130(1)(f) - Report on Operational Efficiencies/Business Plan Modifications

The Company continually reviews its operations to determine if efficiencies can be achieved. The Company already has a plan in place to concentrate on improving broadband service while continuing to provide high-quality basic telecommunications service to the customers that are located within the area that the Company serves. The

funds received from the universal communications services program can be viewed as assisting in the Company's efforts to obtain operational efficiencies.

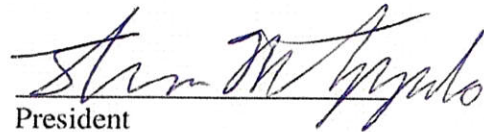
6. WAC 480-123-130(1)(g) and (h) - Other information

N/A

Certified Statement as required by WAC 480-123-130(1)(d):

I, Steven M. Appelo, am an officer of Western Wahkiakum County Telephone Company, and upon personal knowledge and with responsibility therefor, hereby certify under penalty of perjury, that Western Wahkiakum County Telephone Company materially complied with Commission rules under Chapter 480-120 WAC that are applicable to the Company and its provision of service within the area for which the Company received universal communications services program support during the preceding year.

Signed at Olympia, Washington this 29th day of June, 2018.


President