

June 27, 2018

Steven V. King, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive, SW
Olympia, WA 98504-7250

RE: Docket No. UT-170859

Dear Mr. King:

Pend Oreille Telephone Company hereby submits its report of compliance with WAC 480-123-130. This report is being filed electronically at <http://www.utc.wa.gov/docs/Pages/howToFile.aspx>.

Sincerely,



Michael J. Martell
Vice President

MJM/baa

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COMMISSION

REPORT OF PEND OREILLE TELEPHONE COMPANY UNDER THE
WASHINGTON UNIVERSAL COMMUNICATIONS SERVICES PROGRAM
IN COMPLIANCE WITH WAC 480-123-130

June 27, 2018

Docket No. UT-170859

File electronically

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

	January 1, 2017	December 31, 2017
Residential	<u>1129</u>	<u>1095</u>
Business	<u>327</u>	<u>329</u>

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 Inter-Carrier 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 \$287,151 from the universal communications services program for the fiscal year ending June 30, 2018.

During the first six months of 2018, the Company purchased appx 8 miles of 24 count aerial fiber from Northstar Broadband. This purchase will allow us to have redundancy for our customers and more capacity than our previous lease with Northstar. The company engineered and requested permits during the winter months in anticipation of our summer construction. The funds received from the universal communications services program can be viewed as contributing to the Company's ability to perform these projects, including, without limitation, the repayment of loan funds. In the second half of 2018 the Company has started construction on the fiber to the home project for the West Kalispel, which includes 20 miles of backbone fiber optic cable. They will also install a new Calix DLC cabinet in the Skookum Creek area which will serve 96 Fiber to the Homes. There are several more projects in the budget and they will be completed as time allows.

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 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.

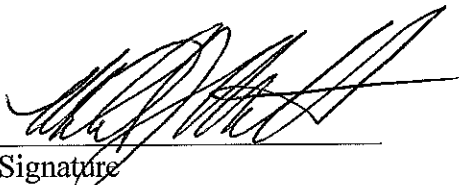
6. WAC 480-123-130(1)(g) and (h) - Other information

N/A

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

I, Michael J. Martell, am an officer of Pend Oreille Telephone Telephone Company, and upon personal knowledge and with responsibility therefor, hereby certify under penalty of perjury, that Pend Oreille 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.

Signed at Glens Ferry, Idaho this 27th day of June, 2018.



Signature

Vice-President

Title