WASHINGTON UNIVERSAL COMMUNICATIONS SERVICES PROGRAM

WAC 480-123-130 REPORTS AND CERTIFICATION

July 1, 2015

Docket No.143033

Kalama Telephone Company

File electronically

Access Lines Served - WAC 480-123-130(1)(a)

January 1, 2014 December 31, 2014

Residential 1,781 1,734

Business 487 470

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

The funds received by the Company during 2014 from the state universal communications services program (“Program”) represent monies that the Company formerly received through the Washington Exchange Carrier Association pooling process. As such, the funds from the “Program contributed to defraying the ongoing operation and maintenance expenses of the Company. The funds from the Program are contributing to the Company's ongoing provision of high-quality basic telecommunications service to customers present in the area the Company serves

In addition, the Company undertook the following major projects:

1. The Company installed exchange circuit equipment to transport voice and data between two of the company’s remotes and the company’s central office at a cost of approximately $53,400. This equipment allows the Company to offer improved broadband speeds for approximately 150 customers and provided growth capacity.
2. The Company installed central office transmission and Digital Subscriber Line (DSL) equipment at a cost of approximately $144,500. This project improved service for approximately 100 customers, plus allowing for future growth.
3. The Company installed fiber optic cable at a cost of approximately $43,000. This project improved service for approximately 325 customers, plus allowing for future growth in the area served.
4. The Company completed several major cable and wire facilities projects. The total cost of these projects was approximately $44,000. These projects improved service for approximately 20 customers, plus provide capacity for growth in the areas served.

The funds received from the Program can be viewed as contributing to the Company's ability to perform those projects, including, without limitation, the repayment of loan funds.

Unfilled Consumer Requests for New Basic Telecommunications Service\* - WAC 480-123-130(1)(c))

None

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

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

Currently, portions of FCC Form 477 submitted to the FCC in an electronic file format do not create a readable report of the data.  It is the Company’s understanding that the FCC is developing reports that are expected to be available no later than August 1, 2015, and that will include 2014 FCC Form 477 data. If these reports are not available by that date, the Company will work with the Washington Utilities and Transportation Commission staff to provide this information in an agreed upon format in a timely manner.

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

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 Program can be viewed as assisting in the Company's efforts to obtain operational efficiencies.

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

Not Applicable

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

I, Steve Hanson, an officer of Kalama Telephone Company with personal knowledge and responsibility, hereby certify under penalty of perjury that, during 2014, Kalama Telephone Company materially complied with all Commission rules in Chapter 480-120 WAC that are applicable to the Company and its provision of service within the area for which the Company received state universal communications services program support.

Signed at Tenino, Washington this 29th day of June, 2015.

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President