

June 30, 2017

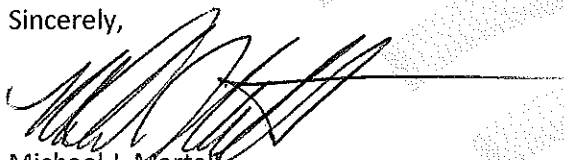
Steven V. King, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive, SW  
Olympia, WA 98504-7250

RE: Docket No. UT-160942

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

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

July 1, 2017

Docket No. UT-160942

File electronically

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

	January 1, 2016	December 31, 2016
Residential	<u>1,120</u>	<u>1,129</u>
Business	<u>320</u>	<u>327</u>

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

The funds received by the Company from the universal service communications program in calendar year 2016 represents 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) CAF ICC Program. As such, the funds from the universal service communications program contributed to the ongoing operation and maintenance expenses of the Company. The funds from the universal service communication 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 2016, the Company received \$245,213.00 from the universal service communications program for the fiscal year ending June 30, 2017 which represents monies that the Company formerly received through the WECA pooling process and the reduction of support under the FCC's CAF ICC Program.

During the first six months of 2017 the Company undertook several construction and maintenance projects. The Company expanded its local area network by upgrading its field electronics and central office electronics to enable faster DSL services and also additional fiber capacity to handle additional bandwidth.

The funds received from the universal service communications program can be viewed as contributing to the Company's ability to perform that project, including, without limitation, the repayment of loan funds. In the second half of 2017 the Company plans to continue adding more field electronics, adding additional fiber routes.

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, 2017 under Docket UT-170009.

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

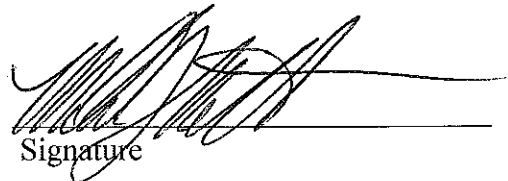
6. WAC 480-123-130(1)(g) and (h) - Other information

N/A

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

I, Michael J. Martell, am an officer of Pend Oreille Telephone Company, and upon personal knowledge and with responsibility therefore, 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 service communications program support.

Signed at Glenns Ferry, Idaho this 30th day of June, 2017.

  
Signature

Vice President  
Title