REPORTS AS SPECIFIED IN WAC 480-123-070 AND WAC 480-123-080

Inland Cellular LLC (formerly Washington RSA No. 8 Limited Partnership)(d/b/a Inland Cellular)(the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080, with respect to its operations within the State of Washington.

Report 1 - WAC 480-123-070(1)(a): For the period January 1 through December 31, 2012, the Company added four new cell sites at a locations known as Skyview, Pataha, Dayton North and Frenchtown at a cost of \$948,182, made switch additions at a total approximate cost of \$824,938; approximately \$186,387 allocated to the Washington RSA No. 8 market (based on November tower minutes), made EVDO Rev A additions at a total approximate cost of \$365,133; approximately \$167,353 for the Washington RSA No. 8 market, and microwave, antenna and other upgrades at an approximate cost of \$605,780; total approximate added investments attributed toward the Washington RSA No. 8 market of \$1,907,702. Operating expenses, excluding cost of handsets, roaming and toll expenses, for the same time period were approximately \$4,905,271.

Report 2 - WAC 480-123-070(1)(b): These investments and expenses should enable the Company to provide increasingly better service quality, coverage, capacity and clearer signals throughout the Company's service area, thereby decreasing the potential for dropped calls or no service. Expenses directly associated with regulatory compliances for E911, plant operations, switching, maintenance, engineering and obtaining facilities from local exchange carriers and depreciation expenses comprise approximately \$3,727,566 of the expense figure set forth in Report 1 above.

Report 3 - WAC 480-123-070(2): For the period January 1 through December 31, 2012, the Company reports that it experienced the following local service outages:

3/7/12 at 12:20 am – Control Module failure at the St. John site; technician dispatched from Uniontown; approximately 138 subscribers were without service; reset Control Module; service restored at approximately 5:08 am; duration of approximately 4 hours and 48 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

4/13/12 at 3:41 pm – Microwave failure at the Skyview site; technician dispatch from Uniontown; unknown as to how many subscribers were affected since there are two other Inland Cellular sites in Pullman (WSU and Pullman Water Tower) however, there were approximately 460 Pullman subscribers; reset microwave; service restored at approximately 8:43 pm; duration of approximately 5 hours and 2 minutes; microwave failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

5/11/12 at 9:40 am – T1 outage to our Walla Walla KTEL site; approximately 3,450 subscribers were without cellular to local terminating service; called CenturyLink since outage was on the CenturyLink side which they repaired; service restored at approximately 1:13 pm; duration of approximately 3 hours and 33 minutes; facilities failures from another provider are unexpected; no affordable steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage. 7/2/12 at 10:57 pm – Core failure at the Naff Ridge site; technician dispatched and replaced core card; this site is primarily a roaming site on our northern border, approximately 10 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at St. John and Steptoe Butte; service restored at approximately 8:21 am; duration of approximately 9 hours and 24 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage. 7/8/12 at 9:52 pm – Control module failure at the Naff Ridge site; technician dispatched and replaced control module card; this site is primarily a roaming site on our northern border, approximately 10 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at St. John and Steptoe Butte; service restored at approximately 5:51 am; duration of approximately 7 hours and 59 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

8/12/12 at 2:19 pm – Microwave failure at the Sager site; technician dispatched and re-tuned microwave; service could have been affected for approximately 3,450 subscribers however, the area is also served by overlapping signals from cellular sites at Walla Walla Airport, Walla Walla Smokestack, Walla Walla KTEL and Lowden; service restored at approximately 10:53 pm; duration of approximately 6 hours and 39 minutes; microwave failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

<u>8/25/12</u> at 7:48 am – Microwave failure at the Walla Walla Smokestack site; technician dispatched and re-tuned microwave; service could have been affected for approximately 3,450 subscribers however, the area is also served by overlapping signals from cellular sites at Walla Walla Airport, Walla Walla KTEL, Sager and Lowden; service restored at approximately 10:22 am; duration of approximately 3 hours and 34 minutes; microwave failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

<u>8/25/12</u> at 7:48 am – Microwave failure at the Valley Grove site; technician dispatched and reset microwave; this site is primarily a roaming site between Walla Walla and Prescott; unknown as to how many subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at

Walla Walla Airport, Dixie, Minnick and Paddock; service restored at approximately 11:13 am; duration of approximately 3 hours and 25 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

<u>8/27/12</u> at 8:58 pm – RFM card failure at the Asotin site; technician dispatched and replaced the RFM card; 322 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at Clarkston, Anatone and Orchards (ID); service restored at approximately 7:06 am; duration of approximately 10 hours and 8 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

12/17/12 at 8:50 am – Control module card failure at the Dodge site; technician dispatched and replaced the control module card; approximately 20 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at Delaney and Pomeroy; service restored at approximately 8:01 am; duration of approximately 23 hours and 11 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

<u>Report 4</u> - WAC 480-123-070(3): For the period January 1 through December 31, 2012, the Company reports zero (0) instances where it failed to provide service within its designated service area.

<u>Report 5</u> - WAC 480-123-070(4): For the period January 1 through December 31, 2012, the Company did not receive from the Federal Communications Commission or the Consumer Protection Division of the Attorney General of the State of Washington any complaints against the Company made by the Company's customers concerning the services provided to its customers.

Report 6 – WAC 480-123-080(1)(a): As it is known to the Company at the date of this Report, the following is the planned use of federal support related to Washington state that is anticipated to be received from any category in the federal high-cost fund by the Company during the period January 1, 2014 through December 31, 2014: The Company is budgeted for the Washington RSA No.8 market to build 2 cellular sites that include microwave back-bone facilities (\$600,000), build 2 cellular repeater sites (\$350,000), upgrade sites to EVDO-Rev A (\$250,000) and upgrade the microwave back-bone facilities (\$300,000); total estimated cost of \$1,500,000. Since the Company makes additions from operating revenue generation, some of these additions may carry-over or are carry-overs from the previous year. The Company estimates that operating expenses, excluding cost of handsets, roaming and toll expenses, will be approximately \$5,380,620.

<u>Report 7</u> – WAC 480-123-080(2): The budgeted investments and expenses should enable the Company to provide increasingly better service quality, coverage, capacity and

clearer signals throughout the Company's service area, thereby decreasing the potential for dropped calls. Expenses directly associated with regulatory compliances for E911, plant operations, switching, maintenance, engineering and obtaining facilities from local exchange carriers and depreciation expenses comprise approximately \$3,916,000 of the expense figure set forth in Report 6 above.

Dated: July 30, 2013