

**AFFIDAVIT CONTAINING CERTIFICATIONS
PURSUANT TO WAC 480-123-060 AND WAC 480-123-070**

I, Michael T. Skrivan, being of lawful age, state that I am the Vice President of Regulatory for Ellensburg Telephone Company d/b/a Consolidated Communications ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information, and belief. On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission") for use by the Commission in providing the certification to the Federal Communications Commission and Universal Service Administrative Company required by 47 C.F.R. §54.314, as follows:

- (1) That the Company in 2017 used and in the coming calendar year 2019 will use federal high-cost universal service fund support only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended;
- (2) That during 2017 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);
- (3) That during the 2017 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and
- (4) That during the 2017 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for the service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 6th day of July, 2018

Company: Ellensburg Telephone Company d/b/a Consolidated Communications

By: Michael T. Skrivan
Michael T. Skrivan
Vice President Regulatory
Ellensburg Telephone Company d/b/a Consolidated Communications

ETC ANNUAL REPORT PER WAC 480-123-070 AND WAC 480-123-080
Contains Certifications Required by WAC 480-123-060 and 070

Ellensburg Telephone Company d/b/a Consolidated Communications (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.

1. Report 1: Report on use of funds: WAC 480-123-070(1)(a):

The Company used support from the federal high-cost fund in 2017 as follows:

In 2017 the Company invested \$ 235,355 to upgrade its Outside Plant network in the Ellensburg, Selah and Kittitas Exchanges. These upgrades provided for a platform to deliver more reliable local service and advanced telecommunications services to customers in these exchanges. Additionally, the company invested \$ 292,995 in its IP Infrastructure (augments) plus continued the process to migrate customers to the installed soft switch.

In addition to the foregoing, the Company has invested \$ 129,071 in outside plant infrastructure due to the road project. With past and current growth the local state, county, and city entities have begun upgrading the transportation infrastructure. With a majority of these road projects, the Company finds its telecommunication infrastructure in conflict with the road design.

For 2017 the Company's gross capital expenditures were \$ 658,913. The Company's 2017 operating expenses were \$ 8,741,407.

2. Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses report under Report 1, above, benefited the customers as follows:

The customers served by the Company benefited from the use of high-cost fund support by continuing to receive high quality telecommunications services.

Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. § 254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC¹. The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1 above, generally benefit all customers receiving the federal high-cost fund supported services from the Company within its designated ETC service area. The Company continues to expand its network to be better capable of providing access to broadband services throughout most of the Company's designated ETC service area. The Company offers services that are

¹ The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

comparable to services offered in urban area at rates that are comparable to rates for such services in urban areas.

3. Report 3: Local Services Outage Report: WAC 480-123-070(2):

None

4. Report 4: Report on Failure to Provide Service: WAC 480-123-070(3):

None

5. Report 5: Report on Complaints per 1000 Connections: WAC 480-123-070(4):

Ellensburg had 3 consumer complaints in 2017. The complaints were as follows:

- Attorney General Complaint – DSL Speed/Stability

The customer complained of slow speeds. A technician determined that the customer's distance (18,000 ft) and heavy usage were taxing the connection. In order to attempt a better speed, the customer's service was bonded to improve speed and stability. Since the bonding, there have been no further complaints from the customer. A credit of \$50 was applied to the account as a one-time courtesy and the customer was advised that due to his distance, we would likely not be able to provide any additional increase in speed. The customer is receiving slightly higher than the "classic speed" he is being billed for.

- FCC Complaint – DSL Speed/Stability

This customer has complained multiple times that FairPoint is "throttling her DSL" to lower speeds on purpose. It has been explained to this customer on several occasions that we do not throttle her speed, but that her distance from the remote limits her speed. The customer is receiving slightly more speed than she is paying for and has been informed that at this time, that is the maximum speed we can provide to that location.

- WUTC Complaint #CAS-21766

Customer called to put service on seasonal suspend. She claims she was not advised of the \$20 charge for this service. Service was also not restored on the promised date. Customer service worked with this customer to get her services restored as they should have been and credits were applied to the customer's account for the restoral fee and time out of service until reconnected. Additionally late fees were reversed on the account as the customer was attempting to get the account updated and got locked out due to a missing pin number.

6. Report 6: Annual Plan: WAC 480-123-080(1):

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington State for the period January 1, 2018, through December 31, 2018 are \$863,000 for Ellensburg.

Three major projects for 2018 have been reviewed, planned, engineered, and approved by the Company. These consist of fiber placement and associated Access Network Equipment at the Rader, Reecer and Riverbottom remote sites. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2017, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period.

7. Report 7: Plan of Investments and Expenditures: WAC 480-123-080(2):

Major projects are disclosed on the Company's FCC Form 481 and additional detail of planned capital expenditures by category may be found in Table A, attached. The Company expects that the continued receipt of federal high-cost support will allow the Company to continue to provide the supported services at rates that are comparable to the rates for such services in urban areas. All customers in the Company's designated ETC service area will benefit from the expected level of support by continuing to have available to them services that are comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.

WAC 480-123-080

TABLE A

Category	Ellensburg 2018 EOY Projection
Copper Drop	125,112
Fiber Drops	82,756
WA FTTH ONT Equip	11,559
WA DSL Additions	40,958
RT Battery Replacement	30,024
WA Area Growth	413,401
WA Area Capitalized Repairs	12,743
WA IP Ethernet Core	44,674
WA Fleet	101,280
	862,507