

July 1, 2016

## **BY HAND**

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

Re:

Docket No. UT-151521 -

Western Wahkiakum County Telephone Company -

Washington Universal Communications Services Program -

WAC 480-123-130 (1)(a) through (1)(h)

On behalf of Western Wahkiakum County Telephone Company ("Company"), accompanying this letter for filing by the Washington Utilities and Transportation Commission are the reports and certification required by WAC 480-123-130 (1)(a) through (1)(h) with respect to funds received by the Company from the Washington Universal Communications Services Program during the calendar year 2015.

Sincerely,

Steven M. Appelo

President

Accompanying Document

## REPORT OF WESTERN WAHKIAKUM COUNTY TELEPHONE COMPANY, D/B/A WAHKIAKUM WEST TELEPHONE UNDER THE WASHINGTON UNIVERSAL COMMUNICATIONS SERVICES PROGRAM IN COMPLIANCE WITH WAC 480-123-130

July 1, 2016

## Docket No. UT-151521

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

	January 1, 2015	December 31, 2015
Residential	835	838
Business	218	207

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 2015 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) Connect America Fund (CAF) InterCarrier Compensation (ICC) Program. As such, the funds from the universal communications services program contributed to the ongoing operation and maintenance expenses of the Company. The funds from the universal communications 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 January 2015, the Company received \$110,098.00 from the universal communications services program for the fiscal year ending June 30, 2015, representing the reduction in support from the CAF ICC Program.

During 2015, the Company undertook the following projects:

(1) Construction, including including new, buried fiber optic routes within the Grays River Exchange, along the far end of Lower Altoona Pillar Rock Rd. The total footage came to approximately 21,554 on this project. This project serves an area of approximately 3 square miles, with an estimated population of 68. This project cost approximately \$169,366.

This project has enhanced service reliability and capacity for approximately 68 people in the Grays River Exchange.

- (2) Construction, including new, buried fiber optic routes within the Grays River Exchange, along Hoikka Road (approximately 5,444 feet) and Fossil Creek Road (approximately 6,848 feet) and Altoona Pillar Rock Rd. (approximately 14,706 feet). The total footage on this project came to approximately 26,998 feet. This project serves an area of approximately 6 square miles, with an estimated population of 75. This project cost approximately \$160,933. This project has enhanced service reliability and capacity for approximately 75 people in the Grays River Exchange.
- (3) In addition to the above-described projects, the Company completed work on plowing or boring fiber drops and placing ONT's at homes, businesses and institutions in the Naselle Exchange. This project's cost came to approximately \$229,677. It will allow the Company to make fiber connections to these homes, businesses and institutions, thereby enhancing service reliability and capacity to an estimated population of 263.

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

In December 2015, the Company received \$233,070.00 from the universal service communications program for the fiscal year ending June 30, 2016, which represents monies that the Company formerly received through the WECA traditional Universal Service Fund pooling process and the reduction of support under the FCC's CAF ICC Program.

During the first six months of 2016, the Company undertook the following projects:.

- (1) Construction, including new, buried fiber optic routes within the Grays River Exchange, along Cottardi Heights Road for a total footage of fiber optic cable of approximately 7,684 feet, and along Shannon Road for a total fiber footage of approximately 13,550 feet, together with additional drops to residences. This project, which has been completed, serves an area of approximately 8 square miles with an estimated population of 85. This project cost approximately \$223,008. This project has enhanced service reliability and capacity for approximately \$5 people in the Grays River Exchange.
- (2) Construction, including new, buried fiber optic routes within the Naselle wire center, along Salmon Creek Road (approximately 8,000 feet), Tienhhaara Road (approximately 5,256 feet), State Route 4 (approximately 560 feet), together with installation of hand holes and two fiber distribution hubs. This project serves an area

of approximately 7 square miles with an estimated population of 39. This project cost approximately \$186,420. This project has enhanced service reliability and capacity for approximately 39 people in the Naselle wire center.

(3) Acquisition and installation of software-enabled switching apparatus to serve the Naselle and Grays River wire centers, to replace existing digital switching facilities. The cost of this is expected to be approximately \$232,000, plus the cost of staff training. This project is expected to serve an area of approximately 314 square miles, with an estimated population of 2,082. This project is expected to enhance service offerings, reliability and capacity for the above-mentioned population.

The funds received from the universal communications services program can be viewed as contributing to the Company's ability to perform those projects, including, without limitation, the repayment of loan funds. In the second half of 2016, the Company plans to continue the work of installing fiber ONTs, so as to allow it to cut over additional customers to the Company's fiber optic network.

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, 2016 under Docket UT-160032.

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. Deployment of the new software-enabled switching apparatus, described in Item 2 above, is an example of improvements to the Company's efficiency. That new switching apparatus is an Internet-protocol-based softswitch, which among other benefits, is expected to reduce the cost to the Company of central office maintenance and future switching upgrades.

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, Steven M. Appelo, am an officer of Western Wahkiakum County Telephone Company, d/b/a Wahkiakum West Telephone, and upon personal knowledge and with responsibility therefor, hereby certify under penalty of perjury, that Western Wahkiakum County Telephone Company, d/b/a Wahkiakum West Telephone, 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 Rosburg, Washington this 30 day of June, 2016.

Jun Hambo President

SOLE JULY OF PRINCE NEW LEGISLES