

REPORT OF INLAND TELEPHONE COMPANY UNDER THE
WASHINGTON UNIVERSAL COMMUNICATIONS SERVICES PROGRAM
IN COMPLIANCE WITH WAC 480-123-130

July 1, 2019

Docket No. UT-180650

File electronically

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

	January 1, 2018	December 31, 2018
Residential	<u>1,892</u>	<u>1,959</u>
Business	<u>546</u>	<u>446</u>

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 2018 represent 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 InterCarrier Compensation Fund (CAF ICC) program. As such, the funds from the universal communications services program contributed to defrayal of the ongoing operation and maintenance expenses of the Company. The funds from the universal communication 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 December 2018, the Company received \$448,904 from the universal communications services program for the fiscal year ending June 30, 2019.

During the first six months of 2019, the Company engaged an engineering firm to engineer fiber-to-the-premise (FTTP) in one of its exchanges, is engineering FTTP in another exchange, and has started the process for completing a fiber ring in another exchange. The funds received from the universal communications services program can be viewed as contributing to the Company's ability to perform these projects, including, without limitation, the repayment of loan funds; the balance at year end 2018 of approximately \$13,309,000 attributable to Washington operations. In the second half of 2019 the Company plans on completing the FTTP projects in the two exchanges.

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, 2019 under Docket UT-190003.

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 areas that the Company serves. The funds received from the universal communications services program can be viewed as assisting in the Company's efforts to obtain operational efficiencies.

The Company has modified its business plan. The Company originally believed that the increased deployment of VDSL carrier cabinets (shortening loop lengths) could satisfy regulatory requirements as well as consumer wants. The Company has modified its plans with more FTTP and less VDSL.

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, James K. Brooks, am an officer of Inland Telephone Company, and upon personal knowledge and with responsibility therefor, hereby certify under penalty of perjury, that Inland 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 communications services program support.

Signed at Roslyn, Washington this 14th day of June, 2019.


James K. Brooks
Treasurer/Controller