

ETC ANNUAL REPORTS PER WAC 480-123-070 AND WAC 480-123-080

July 1, 2021

Western Wahkiakum County Telephone Company

Western Wahkiakum County Telephone Company ("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 the calendar year 2020 as follows: To support investments made by the Company in telecommunications plant used to provide voice services, broadband services and other telecommunications services, and to defray operating expenses incurred by the Company in its provision of those services.

In the calendar year 2020, the Company's gross capital expenditures and operating expenses paid, in whole or in part, with support from the federal high-cost fund were \$284,760. and \$2,722,776, respectively.<sup>1</sup>

Major projects undertaken or completed in the calendar year 2020 include the following:

- (1) Purchase and deployment of Calix essential support for Calix electronic equipment (routing and transmission equipment, optical network terminals (ONTs) and equipment housings) to improve/maintain quality and reliability of the Company's network. This project serves both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,412. Payments to Calix for this project during this time period totaled \$7,595.
- (2) Purchase and deployment of Ribbon/Genband essential support for C-15 central office soft switch and AMAX equipment to improve/maintain reliability of, and enhance services available from, the Company's network. This project serves both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,412. Payments to Ribbon/Genband for this project during this time period totaled \$30,246.
- (3) Repayment of principal, and payment of interest with respect to, Rural Utilities Service ("RUS") loans for construction of fiber to the home and related network and switching improvements. The RUS financing to which these payments pertain

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<sup>1</sup> The amounts shown in this sentence are prior to Part 64 adjustments, if any.

supports service to both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,412 by facilitating the investment in such construction and switching improvements. Payments to RUS during this time period totaled \$242,720.

- (4) Purchase and deployment of Fujitsu essential support for Fujitsu electronic equipment to improve/maintain quality and reliability of the Company's network. This project serves both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,412. Payments to Fujitsu for this project during this time period totaled \$13,856.
- (5) Purchase and deployment of Tellabs essential support for Tellabs electronic equipment to improve/maintain quality and reliability of company's network. This project serves both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,412. Payments to Tellabs for this project during this time period totaled \$8,830.
- (6) Optical network terminal (ONT) installation, activation, and cutover of service to fiber optical facilities for customers in the Grays River and Naselle Exchanges. The cost of this project was approximately \$143,998, and this project has enhanced service reliability and capacity for approximately 304 people in the Company's service area.

Attached are copies of the Company's NECA-1 Report<sup>2</sup> for the calendar year 2019 and the Pending View Report for the calendar year 2020.

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

Consumers served by the Company, as well as those consumers of other telecommunications service providers who may have communicated with the Company's customers utilizing telecommunications services provided by the Company, benefited from the use of high-cost fund support by continuing to receive high quality telecommunications services. Direct benefits within the Company's service area of specific projects are detailed in Report 1 above.

Through the expenditure of the federal high-cost support 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

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<sup>2</sup> The Company understands the reference to the "NECA-1 report" to refer to the values reported by the Company in response to the National Exchange Carrier Association, Inc. Universal Service Data Collection Form or its on-line equivalent pertaining to the subject year.

the service area for which the Company is designated as an ETC.<sup>3</sup> 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 has expanded its network over the past several years so that it is capable of providing access to broadband services throughout most of the Company's designated ETC service area. The Company offers services that are comparable to services offered in urban areas 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):

None

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

As they are known to the Company at the date of filing of this Report, the Company's planned gross capital expenditures and operating expenses to be made or defrayed, in whole or in part, with federal high-cost support to be received by the Company during the coming calendar year (*i.e.*, 2022) are projected to be approximately \$115,000 and \$2,688,000, respectively.

Major projects planned to be undertaken or completed in the calendar year 2022 include the following:

- (1) Purchase and deployment of Calix essential support for Calix electronic equipment (routing and transmission equipment, optical network terminals (ONTs), equipment housings) to improve/maintain quality and reliability of the Company's network. This project will serve both the Grays River and Naselle Exchanges and is expected ultimately to provide benefits to an estimated population in the Company's service area of 2,412. Payments to Calix for this project during this time period are estimated to be \$8,000.

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<sup>3</sup> The term "ETC" is used herein with the same meaning as the term is used in Chapter 480-123 WAC.

- (2) Purchase and deployment of Ribbon/Genband essential support for C15 central office soft switch and AMAX equipment to improve/maintain quality and reliability of the Company's network. This project will service both the Grays River and Naselle Exchanges and is expected ultimately to provide benefits to an estimated population in the Company's service area of 2,412. Payments to Ribbon/Genband for this project during this time period are estimated to be \$25,000.
- (3) Repayment of, and payment of interest with respect to, RUS loans for construction of fiber to the home and related network and switching improvements. The RUS financing to which these payments pertain supports service to both the Grays River and Naselle Exchanges and is expected to provide benefits to an estimated population in the Company's service area of 2,412. It is estimated that such payments to be made during this period will be approximately \$240,000.
- (4) Purchase and deployment of Fujitsu essential support for Fujitsu electric equipment to improve/maintain quality and reliability of the Company's network. This project is expected to serve both the Grays River and Naselle Exchanges and to provide benefits to an estimated population in the Company's area of 2,412. Payments to Fujitsu for this project during this time period are estimated to be \$14,000.
- (5) Purchase and deployment of Tellabs electronic equipment to improve/maintain quality and reliability of the Company's network. This project is expected to serve both the Grays River and Naselle Exchanges and to provide benefits to an estimated population in the Company's service area of 2,412. Payments to Tellabs for this project during this time period are estimated to be \$9,000.
- (6) Optical network terminal (ONT) installation, activation, and cutover of service to fiber optic facilities for customers in the Grays River and Naselle Exchanges. The cost of this project is expected to be approximately \$140,000, and this project is expected to enhance service reliability and capacity for approximately 304 people in the Company's service area.

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

As they are known to the Company at the date of filing of this Report, apart from major projects, the planned investment and expenditures to be made with federal high-cost support related to Washington state for the calendar year 2022, are planned to remain relatively the same as those the Company experienced in calendar year 2020, 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. Planned major projects are as described or referenced in Report 6, above. The Company has not completed its budgeting process for the calendar year 2022, so the investment and

expense figures presented in Report 6, above, for calendar year 2022 are not yet final and may be affected by changes in federal high-cost support. The Company anticipates 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. Moreover, the major projects identified in Report 6, above, are expected to benefit customers as there described.



USF1010 PENDING VIEW REPORT

Applies to Period:	Year End 12/2020	Reg: 6	WESTERN	Subset 3
Contact Name:	Carol Larson	MSM: 000032940	Mark Novy	
Contact Phone:	(360)-465-2211 Ext:	OO: *****		
Release Status:	Special Released	Co: 000002451	Western Wahkiakum County Tel. Co.	
Soft Edit Status:	Failed Edit	SAR: 522451	WESTERN WAHKIAKUM	

Description	Pending View	Source
060 Total Loops	900	EC
070 Cat. 1.3 Loops	900	EC
090 CBO Loops	196	EC
160 Account 2001	21,640,194	EC
170 Account 1220	281,902	EC
190 Account 3100	15,640,441	EC
195 Account 3400	0	EC
210 Account 4340	1,465,749	EC
220 Net Plant Investment	4,815,906	EC
230 Account 2210	781,529	EC
235 Account 2220	0	EC
240 Account 2230	2,892,552	EC
245 Total Central Office	3,674,081	EC
250 Ckt Equip Cat 4.13	2,022,289	EC
255 Account 2410	16,401,586	EC
260 Account 3100 (2210)	781,529	EC
265 Account 3100 (2220)	0	EC
270 Account 3100 (2230)	2,887,111	EC
275 Account 3100 (2210-2230)	3,668,640	EC
280 Account 3100 (2410)	10,482,700	EC
310 Account 4340 (2210)	100,398	EC
315 Account 4340 (2220)	0	EC
320 Account 4340 (2230)	-24,630	EC
325 Account 4340 (2210-2230)	75,768	EC
330 Account 4340 (2410)	1,429,096	EC
335 Account 6110 Total	34,386	EC
340 Account 6110 Benefits	4,448	EC
345 Account 6110 Rents	0	EC
350 Account 6120 Total	85,842	EC
355 Account 6120 Benefits	21,768	EC
360 Account 6120 Rents	0	EC
365 Account 6210 Total	118,164	EC
370 Account 6210 Benefits	24,330	EC
375 Account 6210 Rents	0	EC
380 Account 6220 Total	0	EC
385 Account 6220 Benefits	0	EC
390 Account 6220 Rents	0	EC
395 Account 6230 Total	135,478	EC
400 Account 6230 Benefits	41,779	EC
405 Account 6230 Rents	0	EC
410 Account 6210-6230	253,642	EC
430 Account 6410 Total	168,483	EC
435 Account 6410 Benefits	74,421	EC
440 Account 6410 Rents	2,180	EC
445 Total Plant Specific	542,353	EC
450 Account 6530 Total	420,505	EC
455 Account 6530 Benefits	181,744	EC
510 Account 6560 (2210)	5,159	EC
515 Account 6560 (2220)	0	EC



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Reg: 6  
MSM: 000032940  
OO: \*\*\*\*\*  
Co: 000002451  
SAR: 522451

WESTERN  
Mark Novy  
Western Wahkiakum County Tel. Co.  
WESTERN WAHAKIAKUM

Subset 3

Description	Pending View	Source
520 Account 6560 (2230)	80,038	EC
525 Account 6560 (2210-2230)	85,197	EC
530 Account 6560 (2410)	573,244	EC
535 Account 6710 Total	0	EC
540 Account 6710 Benefits	0	EC
550 Account 6720 Total	785,531	EC
555 Account 6720 Benefits	231,009	EC
565 Sum of Lines 535 + 550	785,531	EC
600 Ben. Por. of all Op. Exp.	649,018	EC
610 Rent Por. of all Op. Exp.	2,180	EC
650 Account 7200 Other Taxes	154,558	EC
700 Account 2410 (CWF)	16,401,586	EC
710 Account 2410 (CWF-Cat.1)	12,868,618	EC
800 Account 2680 Total	0	EC
805 Account 2680 (2230)	0	EC
810 Account 2680 (Cat. 4.13)	0	EC
815 Acc 2680 (2410) Total CWF	0	EC
820 Acc 2680 (2410)CWF-Cat1	0	EC
830 Account 6560 (2680)	0	EC
850 Account 6310	0	EC
860 Account 6510	0	EC
870 Account 6610	23,250	EC
880 Account 6620	181,929	EC

Comments:



USF1010 LATEST VIEW REPORT

Applies to Period:	Year End 12/2019	Reg:	6	WESTERN	Subset 3
Contact Name:	Carol Larson	MSM:	000032940	Mark Novy	
Contact Phone:	(360)-465-2211 Ext:	OO:	*****		
Release Status:	Released	Co:	000002451	Western Wahkiakum County Tel. Co.	
Soft Edit Status:	Failed Edit	SAR:	522451	WESTERN WAHKIAKUM	

Description	Latest View
060 Total Loops	969
070 Cat. 1.3 Loops	963
090 CBO Loops	113
160 Account 2001	21,426,110
170 Account 1220	299,537
190 Account 3100	14,983,645
195 Account 3400	0
210 Account 4340	1,552,741
220 Net Plant Investment	5,189,261
230 Account 2210	776,475
235 Account 2220	0
240 Account 2230	2,837,380
245 Total Central Office	3,613,855
250 Ckt Equip Cat 4.13	2,073,656
255 Account 2410	16,281,274
260 Account 3100 (2210)	776,475
265 Account 3100 (2220)	0
270 Account 3100 (2230)	2,830,692
275 Account 3100 (2210-2230)	3,607,167
280 Account 3100 (2410)	9,914,447
310 Account 4340 (2210)	114,444
315 Account 4340 (2220)	0
320 Account 4340 (2230)	-44,337
325 Account 4340 (2210-2230)	70,107
330 Account 4340 (2410)	1,527,009
335 Account 6110 Total	34,655
340 Account 6110 Benefits	2,339
345 Account 6110 Rents	0
350 Account 6120 Total	67,432
355 Account 6120 Benefits	19,520
360 Account 6120 Rents	0
365 Account 6210 Total	122,353
370 Account 6210 Benefits	34,789
375 Account 6210 Rents	0
380 Account 6220 Total	0
385 Account 6220 Benefits	0
390 Account 6220 Rents	0
395 Account 6230 Total	126,253
400 Account 6230 Benefits	44,347
405 Account 6230 Rents	0
410 Account 6210-6230	248,606
430 Account 6410 Total	165,056
435 Account 6410 Benefits	66,135
440 Account 6410 Rents	4,403
445 Total Plant Specific	515,749
450 Account 6530 Total	435,809
455 Account 6530 Benefits	187,532
510 Account 6560 (2210)	0
515 Account 6560 (2220)	0





USF1010 LATEST VIEW REPORT

Applies to Period:	Year End 12/2019	Reg: 6	WESTERN	Subset 3
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Release Status:	Released	Co: 000002451	Western Wahkiakum County Tel. Co.	
Soft Edit Status:	Failed Edit	SAR: 522451	WESTERN WAHKIAKUM	

Description	Latest View
520 Account 6560 (2230)	200,308
525 Account 6560 (2210-2230)	200,308
530 Account 6560 (2410)	570,365
535 Account 6710 Total	0
540 Account 6710 Benefits	0
550 Account 6720 Total	840,089
555 Account 6720 Benefits	234,290
565 Sum of Lines 535 + 550	840,089
600 Ben. Por. of all Op. Exp.	653,765
610 Rent Por. of all Op. Exp.	4,403
650 Account 7200 Other Taxes	208,392
700 Account 2410 (CWF)	16,281,274
710 Account 2410 (CWF-Cat.1)	13,908,839
800 Account 2680 Total	0
805 Account 2680 (2230)	0
810 Account 2680 (Cat. 4.13)	0
815 Acc 2680 (2410) Total CWF	0
820 Acc 2680 (2410)CWF-Cat1	0
830 Account 6560 (2680)	0
850 Account 6310	0
860 Account 6510	0
870 Account 6610	18,587
880 Account 6620	181,257

Comments:

Date: 6/18/2020

1. Line 320 - Tax to Book difference is negative.