

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

June 30, 2023

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 2022 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 2022, the Company's gross capital expenditures and operating expenses paid, in whole or in part, with support from the federal high-cost fund were \$999,025 and \$2,874,100, respectively.¹

Major projects 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) 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 2,305. Payments to Calix for this project during this time period totaled \$43,397.83.
- (2) Purchase and deployment of GIS software, hardware, and consulting services to comply with regulatory requirements. This project supports serve to both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,305. Costs incurred during this time period for this project totaled \$3,478.88.
- (3) 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

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

population in the Company's service area of 2,305. Payments to Ribbon/Genband for this project during this time period totaled \$27,285.08.

- (4) 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 supports service to both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,305 by facilitating the investment in such construction and switching improvements. Payments to RUS during this time period totaled \$247,364.70.
- (5) 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 2,305. Payments to Fujitsu for this project during this time period totaled \$13,925.59.
- (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 \$186,608.06, and this project has enhanced service reliability and capacity for approximately 358 people in the Company's service area.

Attached are copies of the Company's NECA-1 Report² for the calendar year 2021 and the Pending View Report for the calendar year 2022.

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

² 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.³ 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.*, 2024) are projected to be approximately \$293,000 and \$2,757,000, respectively.

Major projects planned to be undertaken or completed in the calendar year 2024 include the following:

(1) Purchase and deployment of Calix essential support and Operations Cloud 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 2,305. Payments to Calix for this project during this time period are estimated to be \$48,300.

³ 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 GIS software, hardware, and consulting services to comply with regulatory requirements. This project supports serve to both the Grays River and Naselle Exchanges and provides benefits to an estimated population in the Company's service area of 2,305. Costs incurred during this time period are estimated to be \$3,500.00.
- (3) Purchase and deployment of Ribbon/Genband essential support for C-15 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 2,305. Payments to Ribbon/Genband for this project during this time period are estimated to be \$27,300.
- (4) 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 2,305. It is estimated that such payments to be made during this period will be approximately \$260,000.
- (5) 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 2,305. Payments to Fujitsu for this project during this time period are estimated to be \$14,000.
- (6) Optical network terminal (ONT) installation and activation 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 \$35,000, and this project is expected to enhance service reliability and capacity for approximately 25 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 2024, are planned to remain relatively the same as those the Company experienced in calendar year 2022, 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 expects to increase staff in anticipation of near-term retirements, but overall, expects staffing levels to remain consistent with levels consistent with previous years. Planned major projects are as described or referenced in Report 6, above. The Company has not completed its budgeting process for the calendar year 2024, so the investment and

expense figures presented in Report 6, above, for calendar year 2024 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 LATEST VIEW REPORT

Applies to Period:	Year End 12/2021	Reg: 6	WESTERN	Subset 3
Contact Name:	Carol Larson	MSM: 000041863	Gerald Walsh	
Contact Phone:	(360)-465-2211 Ext:	OO: *****		
Release Status:	Released	Co: 000002451	Western Wahkiakum County Tel. Co.	
Soft Edit Status:	Passed Edit	SAR: 522451	WESTERN WAHKIAKUM	

Description	Latest View
060 Total Loops	870
070 Cat. 1.3 Loops	862
090 CBO Loops	251
160 Account 2001	21,545,803
170 Account 1220	296,495
190 Account 3100	15,865,565
195 Account 3400	0
210 Account 4340	1,413,190
220 Net Plant Investment	4,563,543
230 Account 2210	654,298
235 Account 2220	0
240 Account 2230	2,923,523
245 Total Central Office	3,577,821
250 Ckt Equip Cat 4.13	1,801,753
255 Account 2410	16,526,717
260 Account 3100 (2210)	654,298
265 Account 3100 (2220)	0
270 Account 3100 (2230)	2,786,660
275 Account 3100 (2210-2230)	3,440,958
280 Account 3100 (2410)	11,059,773
310 Account 4340 (2210)	99,256
315 Account 4340 (2220)	0
320 Account 4340 (2230)	19,958
325 Account 4340 (2210-2230)	119,214
330 Account 4340 (2410)	1,310,526
335 Account 6110 Total	42,967
340 Account 6110 Benefits	3,930
345 Account 6110 Rents	0
350 Account 6120 Total	104,262
355 Account 6120 Benefits	19,910
360 Account 6120 Rents	0
365 Account 6210 Total	104,178
370 Account 6210 Benefits	19,595
375 Account 6210 Rents	0
380 Account 6220 Total	0
385 Account 6220 Benefits	0
390 Account 6220 Rents	0
395 Account 6230 Total	130,627
400 Account 6230 Benefits	35,597
405 Account 6230 Rents	0
410 Account 6210-6230	234,805
430 Account 6410 Total	151,168
435 Account 6410 Benefits	62,788
440 Account 6410 Rents	1,447
445 Total Plant Specific	533,202
450 Account 6530 Total	349,725
455 Account 6530 Benefits	147,636
510 Account 6560 (2210)	0
515 Account 6560 (2220)	0



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Release Status:	Released	Co: 000002451	Western Wahkiakum County Tel. Co.	
Soft Edit Status:	Passed Edit	SAR: 522451	WESTERN WAHKIAKUM	

Description	Latest View
520 Account 6560 (2230)	174,276
525 Account 6560 (2210-2230)	174,276
530 Account 6560 (2410)	579,293
535 Account 6710 Total	0
540 Account 6710 Benefits	0
550 Account 6720 Total	850,052
555 Account 6720 Benefits	240,671
565 Sum of Lines 535 + 550	850,052
600 Ben. Por. of all Op. Exp.	601,404
610 Rent Por. of all Op. Exp.	1,447
650 Account 7200 Other Taxes	165,566
700 Account 2410 (CWF)	16,526,717
710 Account 2410 (CWF-Cat.1)	12,240,472
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	15,065
880 Account 6620	194,405

Comments:

Date: 12/15/2022 Adjustment Type: NECA Initiated

1. Revised to correct 4340 allocation per NECA reconciliation.



USF1010 PENDING VIEW REPORT

Applies to Period:	Year End 12/2022	Reg: 6	WESTERN	Subset 3
Contact Name:	Carol Larson	MSM: 000041863	Gerald Walsh	
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	Pending View	Source
060 Total Loops	829	EC
070 Cat. 1.3 Loops	821	EC
090 CBO Loops	278	EC
160 Account 2001	21,380,660	EC
170 Account 1220	286,720	EC
190 Account 3100	15,846,505	EC
195 Account 3400	0	EC
210 Account 4340	1,386,918	EC
220 Net Plant Investment	4,433,957	EC
230 Account 2210	674,180	EC
235 Account 2220	0	EC
240 Account 2230	2,383,779	EC
245 Total Central Office	3,057,959	EC
250 Ckt Equip Cat 4.13	1,166,019	EC
255 Account 2410	16,604,844	EC
260 Account 3100 (2210)	664,948	EC
265 Account 3100 (2220)	0	EC
270 Account 3100 (2230)	2,331,007	EC
275 Account 3100 (2210-2230)	2,995,955	EC
280 Account 3100 (2410)	11,643,138	EC
310 Account 4340 (2210)	108,715	EC
315 Account 4340 (2220)	0	EC
320 Account 4340 (2230)	-13,632	EC
325 Account 4340 (2210-2230)	95,083	EC
330 Account 4340 (2410)	1,168,308	EC
335 Account 6110 Total	73,762	EC
340 Account 6110 Benefits	7,491	EC
345 Account 6110 Rents	0	EC
350 Account 6120 Total	97,988	EC
355 Account 6120 Benefits	16,830	EC
360 Account 6120 Rents	0	EC
365 Account 6210 Total	62,304	EC
370 Account 6210 Benefits	3,867	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	275,446	EC
400 Account 6230 Benefits	70,911	EC
405 Account 6230 Rents	0	EC
410 Account 6210-6230	337,750	EC
430 Account 6410 Total	193,274	EC
435 Account 6410 Benefits	89,475	EC
440 Account 6410 Rents	1,447	EC
445 Total Plant Specific	702,774	EC
450 Account 6530 Total	129,154	EC
455 Account 6530 Benefits	49,818	EC
510 Account 6560 (2210)	0	EC
515 Account 6560 (2220)	0	EC



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Release Status:	Released	Co: 000002451	Western Wahkiakum County Tel. Co.	
Soft Edit Status:	Failed Edit	SAR: 522451	WESTERN WAHAKIACUM	

Description	Pending View	Source
520 Account 6560 (2230)	322,139	EC
525 Account 6560 (2210-2230)	322,139	EC
530 Account 6560 (2410)	583,366	EC
535 Account 6710 Total	0	EC
540 Account 6710 Benefits	0	EC
550 Account 6720 Total	789,044	EC
555 Account 6720 Benefits	209,363	EC
565 Sum of Lines 535 + 550	789,044	EC
600 Ben. Por. of all Op. Exp.	523,668	EC
610 Rent Por. of all Op. Exp.	1,615	EC
650 Account 7200 Other Taxes	79,400	EC
700 Account 2410 (CWF)	16,604,844	EC
710 Account 2410 (CWF-Cat.1)	11,857,657	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	20,619	EC
880 Account 6620	203,029	EC

Comments:

Date: 6/14/2023

1. Line 320 - Deferred amount is a credit balance.