

REPORT OF THE TOLEDO TELEPHONE CO., INC. COMPANY UNDER THE  
WASHINGTON UNIVERSAL COMMUNICATIONS SERVICES PROGRAM  
IN COMPLIANCE WITH WAC 480-123-130

July 12<sup>th</sup>, 2023

Docket No.UT-

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

|             | January 1, 2021   | December 31, 2022 |
|-------------|-------------------|-------------------|
| Residential | <u>    92    </u> | <u>    78    </u> |
| Business    | <u>    39    </u> | <u>    34    </u> |
| Broadband   | 1654              | 1762              |

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 2022 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 and high-quality broadband service to customers residing in the area the Company serves.

In December 2021, the Company received \$291,054 from the universal communications services program for the fiscal year ending June 30, 2022.

During the last six months of 2022 the Company constructed 21 new residential broadband lines. During the first six months of 2023, the Company constructed over a dozen new residential fiber/broadband services and began u[grading all ONT's in our network to allow WiFi 6 with better performance, parental controls and extended range. The Company's expense to extend fiber to fulfill new requests, maintenance, software upgrades, backhaul and license fees for 2022 was over \$750,000. The funds received from the universal communications services program can be viewed as contributing to the Company's ability to perform those projects and support including, without limitation, the

repayment of loan funds. In the second half of 2022 the Company plans to add an additional 15 to 20 new residential fiber/broadband services.

The Company's RUS loan obligations are \$10,612,329. Annual debt service is \$1,450,900 annually

The Company currently charges a nominal fee \$125.00 for broadband installation which includes on-site activation of WiFi and assistance for connecting all wireless devices in the home or business. The Company does not charge for the drop supplied to an existing or new individual home or business.

3. WAC 480-123-130(1)(b) – Regulated Expense for 2022 were \$4,147,471
  
4. 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.

5. WAC 480-123-130(1)(e) - FCC Form 477/BDC

This data was previously filed on or about March 1, 2022 under Docket UT-230020.

6. 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. To meet the demand for new broadband services the Company has purchased three additional fleet vehicles and increased technical staff. The funds received from the universal communications services program can be viewed as assisting in the Company's efforts to obtain operational efficiencies.

7. WAC 480-123-130(1)(g) and (h) - Other information

Because the company already offers 1000/1000, far exceeding the FCC requirement of 25/3, throughout 100% of its study area, broadband build out specific location information is not included with this filing. Active service addresses and Latitude and Longitude information may be found in the Broadband Data Collection Report filed separately.

Certified Statement as required by WAC 480-123-130(1)(d):

I, Dale Merten, am an officer of The Toledo Telephone Co., Inc., and upon personal knowledge and with responsibility therefor, hereby certify under penalty of perjury, that The Toledo Telephone Co., Inc., 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 Toledo Washington, Washington this 13<sup>th</sup> day July, 2023.

A handwritten signature in black ink, appearing to read "Dale Merten", with a stylized flourish at the end.

VP/COO