

**Kalama Telephone – Year 4 – Funds distributed in 2017 – Reported use of funds by July 1, 2018 – Docket UT-170856**

In December 2017, the Company received \$277,186 from the universal services communications program for the fiscal year ending June 30, 2018 which represents monies that the Company formerly received through the WECA pooling process and the reduction of support under the FCC's CAF ICC Program.

During the first six months of 2018 the Company undertook the several projects that were not yet complete at the filing of this report. These projects will be included in the next section. The funds received from the universal communications services program can be viewed as contributing to the Company's ability to perform these projects.

In the second half of 2018 the Company anticipates performing the following projects:

1. The Company plans to install exchange line circuit equipment at a cost of approximately \$48,000. This project will provide VDSL2 service or ADSL2+ service to 48 customers. This project will improve broadband speeds and increase data capacity.
2. The Company plans to install exchange line circuit equipment at a cost of approximately \$36,400. This project will provide VDSL2 service or ADSL2+ service to 96 customers. This project will improve broadband speeds and increase data capacity.
3. The Company plans to install exchange line circuit equipment at a cost of approximately \$36,400. This project will provide VDSL2 service or ADSL2+ service to 48 customers. This project will improve broadband speeds and increase data capacity.
4. The Company plans to install exchange line circuit equipment at a cost of approximately \$24,500. This project will provide VDSL2 service or ADSL2+ service to 48 customers. This project will improve broadband speeds and increase data capacity.
5. The Company plans to install exchange line circuit equipment at a cost of approximately \$17,400. This project will provide VDSL2 service or ADSL2+ service to 48 customers. This project will improve broadband speeds and increase data capacity.
6. The Company plans to install exchange line circuit equipment at a cost of approximately \$16,500. This project will provide VDSL2 service or ADSL2+ service to 48 customers. This project will improve broadband speeds and increase data capacity.
7. The Company plans to install Gigabit Passive Optical Network fiber to the premise to a new business park at a cost of approximately \$32,000. This project will provide voice and broadband service to all future occupants.
8. The Company plans to install fiber optic facilities between its central office and a remote at a cost of approximately \$73,500. This project improved voice and broadband service for approximately 24 customers.
9. The Company plans to install fiber optic facilities between its central office and exchange line circuit equipment at a cost of approximately \$36,400. This project improved voice and broadband service for approximately 96 customers.