

**REPORTS AS SPECIFIED IN WAC 480-123-070  
AND WAC 480-123-080**

Inland Cellular Telephone Company, as general partner of and on behalf of Washington RSA No. 8 Limited Partnership (d/b/a Inland Cellular)(the “Company”) hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080, with respect to its operations within the State of Washington.

Report 1 - WAC 480-123-070(1)(a): For the period January 1 through December 31, 2011, the Company added one new cell site at a location known as Dixie at a cost of \$261,219, made switch additions at a total approximate cost of \$1,281,000; approximately \$277,000 allocated on Washington subscribers, made EVDO switch additions at a total approximate cost of \$1,004,000; approximately \$217,000 allocated on Washington subscribers, upgraded the voicemail system at a total approximate cost of \$172,000; approximately \$38,000 allocated on Washington subscribers, and microwave and antenna upgrades at an approximate cost of \$311,000; total approximate added investments attributed toward Washington subscribers of \$1,116,000. Operating expenses, excluding cost of handsets, roaming and toll expenses, for the same time period were approximately \$5,101,000.

Report 2 - WAC 480-123-070(1)(b): These investments and expenses should enable the Company to provide increasingly better service quality, coverage, capacity and clearer signals throughout the Company’s service area, thereby decreasing the potential for dropped calls or no service. Expenses directly associated with regulatory compliances for E911, plant operations, switching, maintenance, engineering and obtaining facilities from local exchange carriers and depreciation expenses comprise approximately \$3,541,000 of the expense figure set forth in Report 1 above.

Report 3 - WAC 480-123-070(2): For the period January 1 through December 31, 2011, the Company reports that it experienced the following local service outages:

1/12/11 at 1:18 pm – T1 outage to our Walla Walla KTEL site; approximately 3,456 subscribers were without cellular to local terminating service; outage was on the Qwest/CenturyLink side which they repaired; service restored at approximately 4:00 pm; duration of approximately 2 hours and 42 minutes; facilities failures from another provider are unexpected; no affordable steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

1/20/11 at 8:29 am – Error message “Heartbeat not received from subsystem” received from the cellular sites known as Sager, Skyrocket, Waitsburg, Walla Walla Airport and Walla Walla Smokestack; technician in area reports ice build-up on microwave; intermittent service for approximately 2,500 subscribers; tower climbed at Walla Walla Airport (hub site) and de-icer applied; full service restored at approximately 10:48 am; duration of approximately 2 hours and 19 minutes; weather conditions are unexpected and back-up cannot be provided; no steps taken to prevent

a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

2/3/11 at 1:38 pm – Lost communications with the ECM at the cellular site known as Wilma; technician drove to site and replaced the control module; approximately 530 subscribers could have been without service however, the area is also served by overlapping signals from cellular sites at Clarkton and Lewiston; service restored at approximately 3:21 pm; duration of approximately 1 hour and 43 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

5/31/11 at 4:14 pm – Error report of lost sector, FA1, Sector 1, received from the cellular site known as Kamiak Butte; technician drove to site and replaced the RF module; since this is one sector, approximately 200 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at Steptoe Butte, Colfax, Barr Road, Pullman and West Twin; service restored at approximately 5:55 am on 6/1/11; duration of approximately 13 hours and 40 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

6/22/11 at 1:17 pm – Error message “Heartbeat not received from subsystem” received from the cellular sites known as Sager, Skyrocket, Waitsburg and Walla Walla Airport; further analysis detected dish at Walla Walla Airport (hub) out of alignment; intermittent service for approximately 2,500 subscribers; dish re-aligned; full service restored at approximately 2:25 pm; duration of approximately 1 hour and 8 minutes; weather conditions are unexpected and back-up cannot be provided; no steps taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

7/7/11 at 10:10 am – Error message “Heartbeat not received from subsystem” received from multiple cellular sites that hub at the cellular site known as Thorne; intentional disruption; approximately 2,500 subscribers were without Inland Cellular service; microwave was upgraded for dual capabilities (circuit and Ethernet transport); service restored at approximately 12:55 pm; duration of approximately 2 hours and 45 minutes; upgrade necessary for data capabilities; Company is reviewing altering network from hub-and-spoke to ring; also speaking with alternative fiber carrier to off-load traffic to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

8/6/11 at 1:25 am - Error message “Heartbeat not received from subsystem” received from the cellular site known as Naff Ridge; technician drove to site and reset a card; this site is primarily a roaming site on our northern border, approximately 10 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at St. John and Steptoe Butte; service restored at approximately 6:29 am; duration of approximately 5 hours and 3 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

8/30/11 at 11:01 am – Error message “Heartbeat not received from subsystem” received from multiple cellular sites that hub at the cellular site known as Skyrocket; intentional disruption; approximately 2,500 subscribers were without Inland Cellular service; microwave was upgraded for dual capabilities (circuit and Ethernet transport); service restored at approximately 2:01 pm; duration of approximately 3 hours; upgrade necessary for data capabilities; Company is reviewing altering network from hub-and-spoke to ring; also speaking with alternative fiber carrier to off-load traffic to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

9/7/11 at 8:02 am – Received “Link inactive (RLI) detected, T1/E1 is out-of-service from the cellular site known as Sager; technician was in area and reset the card; service could have been affected for approximately 2,500 subscribers however, the area is also served by overlapping signals from cellular sites at Walla Walla Airport, Walla Walla Smokestack, Walla Walla KTEL and Lowden; service restored at approximately 9:01 am; duration of approximately 1 hour; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

9/9/11 at 2:22 pm - Error message “Heartbeat not received from subsystem” received from the cellular site known as Colfax; technician drove to site and reset a card; approximately 100 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at Kamiak Butte, Barr Road and Steptoe Butte; service restored at approximately 8:09 pm; duration of approximately 5 hours and 47 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

9/11/11 at 6:25 am - Error message “Heartbeat not received from subsystem” received from the cellular site known as Dayton; technician was in area and reset a card; approximately 50 subscribers may have been without service however, the area is also served by overlapping signal from a cellular site at Thorne; service restored at approximately 7:58 am; duration of approximately 1 hour and 32 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

9/12/11 at 2:47 am - Error message “Heartbeat not received from subsystem” received from the cellular site known as Dayton; technician was in area and reset a card; approximately 50 subscribers may have been without service however, the area is also served by overlapping signal from a cellular site at Thorne; service restored at approximately 4:15 am; duration of approximately 1 hour and 27 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

9/25/11 at 9:22 pm - Received “Alarm Indication Signal (AIS), T1/E1 is out-of-service from the cellular site known as Sager; technician was in area and reset T1 card; cellular service did not actual go down however service could have been

affected for approximately 2,500 subscribers making calls to local (landline) numbers; the area is also served by overlapping signals from cellular sites at Walla Walla Airport, Walla Walla Smokestack, Walla Walla KTEL and Lowden; service restored at approximately 11:05 pm; duration of approximately 1 hour and 42 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

10/26/11 at 3:41 pm – Error message “Heartbeat not received from subsystem” received from all cellular sites; T1 MUX out of service in Uniontown (switch location); approximately 6,380 subscribers were without Inland Cellular service; T1 MUX card replaced; service restored at approximately 5:01 pm; duration of approximately 1 hour and 20 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage.

11/11/11 at 11:10 pm – Error message “Heartbeat not received from subsystem” microwave error received from multiple cellular sites that hub at the cellular sites known as Skyrocket and Walla Walla Airport; no technician in area; technician dispatched from Uniontown; approximately 2,500 subscribers were without Inland Cellular service; microwave card reset; service restored at approximately 7:25 am on 11/12/11; duration of approximately 8 hours and 15 minutes; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future. Customers without service from the Company are defaulted to roam on wireless competitors during an outage

Report 4 - WAC 480-123-070(3): For the period January 1 through December 31, 2011, the Company reports zero (0) instances where it failed to provide service within its designated service area.

Report 5 - WAC 480-123-070(4): For the period January 1 through December 31, 2011, the Company did not receive from the Federal Communications Commission or the Consumer Protection Division of the Attorney General of the State of Washington any complaints against the Company made by the Company’s customers concerning the services provided to its customers.

Report 6 – WAC 480-123-080(1)(a): As it is known to the Company at the date of this Report, the following is the planned use of federal support related to Washington state that is anticipated to be received from any category in the federal high-cost fund by the Company during the period October 1, 2012 through December 31, 2013:  
The Company is budgeted to build 3 cellular sites that include microwave back-bone facilities (\$1,000,000), build 2 cellular repeater sites (\$350,000), upgrade sites to EVDO (\$550,000), upgrade the microwave back-bone facilities (\$350,000) and install a prepay system (\$215,000); total estimated cost of \$2,465,000. Since the Company makes additions from operating revenue generation, some of these additions are carry-overs from the previous year. The Company estimates that operating expenses, excluding cost of handsets, roaming and toll expenses, will be approximately \$5,055,000.

Report 7 – WAC 480-123-080(2): The budgeted investments and expenses should enable the Company to provide increasingly better service quality, coverage, capacity and clearer signals throughout the Company’s service area, thereby decreasing the potential for dropped calls. Expenses directly associated with regulatory compliances for E911, plant operations, switching, maintenance, engineering and obtaining facilities from local exchange carriers and depreciation expenses comprise approximately \$3,531,000 of the expense figure set forth in Report 6 above.

Dated: July 23, 2012

Revised per review: August 15, 2012