



June 27, 2017

BY ELECTRONIC FILING
VIA WUTC WEB PORTAL

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities and
Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

CLAIM OF CONFIDENTIALITY

Dear Mr. King:

Re: Docket No. UT-170011 –
FCC Form 481 due July 1, 2017 -
Eligible Telecommunications Carriers' annual filings
to the Federal Communications Commission pursuant
to 47 C.F.R. §§ 54.313, 54.422 –
Whidbey Telephone Company (Study Area 522452)

Accompanying this letter for filing with the Washington Utilities and Transportation Commission ("Commission") is an electronic copy of the FCC Form 481 (including attachments), due July 1, 2017, of Whidbey Telephone Company, as filed electronically with the United States Administrative Company pursuant to Sections 54.313 and 54.422 of the rules of the Federal Communications Commission, 47 C.F.R. §§ 54.313 and 54.422.

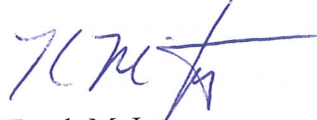
Because of the CONFIDENTIAL nature of the information set forth in portions of the accompanying copy the FCC Form 481, pursuant to RCW 80.04.095 and WAC 480-07-160 the Company hereby asserts a claim of confidentiality with respect thereto. The basis for this claim is that the accompanying copy of FCC Form 481 contains valuable commercial information, including confidential marketing, cost and financial information. Accordingly, in compliance with WAC 480-07-160(3)(c), unredacted and redacted versions of that document accompany this letter. As specified in WAC 480-07-160(3)(b)(i), all copies (both redacted and unredacted) of materials claimed to be

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confidential have been marked "CONFIDENTIAL PER WAC 480-07-160." The redacted version has been marked "REDACTED." The unredacted version has been marked "UNREDACTED," and the information thereon that is claimed to be confidential has been highlighted with grey shading.

If the Commission has any questions regarding the enclosed documents, please do not hesitate to call me at (360) 321-0088.

Very truly yours,



Frank McIntyre
Controller

Accompanying documents:
FCC Form 481 (copy – redacted)
FCC Form 481 (copy – unredacted)

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBEY TEL CO.
<020>	Program Year	2018
<030>	Contact Name: Person USAC should contact with questions about this data	Trish Mason
<035>	Contact Telephone Number: Number of the person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	trish.mason@whidbaytel.com
	Form Type	54.313 and 54.422

REDACTED

CONFIDENTIAL PER WAC 480-07-160

REDACTED

(300) Unfulfilled Service Request
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	522452
<015> Study Area Name	WHIDBEY TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

<300> Unfulfilled service request (voice)

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband)

<330> Detail on attempts (broadband)

Name of Attached Document

CONFIDENTIAL PER WAC 480-07-160

(400) Number of Complaints per 1,000 customers
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	320152
<015>	Study Area Name	WILCOBEY TEL CO.
<020>	Program Year	2013
<030>	Contact Name - Person USAC should contact regarding this data	Tylin Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tylin.mason@wilcoibeytel.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0.0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0.0
<450>	Complaints per 1000 customers for mobile broadband	

REDACTED

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[500] Compliance With Service Quality Standards and Consumer Protection Rules
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	522452
<015>	Study Area Name	WILSON, INC. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	WILLIAM MASON
<035>	Contact Telephone Number - Number of person identified in data line <030>	443400393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	william.mason@wilsoninc.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes 522452-wa510.pdf
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	
<515>	Certify compliance with applicable minimum service standards	

(600) Functionality in Emergency Situations
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	522452
<015> Study Area Name	WESTERN TEST CO.
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603515943 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@westcoast.com
<600> Certify compliance regarding ability to function in emergency situations	Yes
<610> Descriptive document for Functionality in Emergency Situations	522452wa010.pdf

REDACTED

CONFIDENTIAL PER WAC 480-07-160

(700) Price Offerings including Voice Rate Data
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code 522452

<015> Study Area Name WHIDBEY TEL CO.

<020> Program Year 2018

<030> Contact Name - Person USAC should contact regarding this data Trish Mason

<035> Contact Telephone Number - Number of person identified in data line <030> 3603210013 ext.

<039> Contact Email Address - Email Address of person identified in data line <030> trish.mason@whidbeytel.com

<701> Residential Local Service Charge Effective Date

<702> Single State-wide Residential Local Service Charge

<a1>	<a2>	<a3>	<b1>	<b2>	<b3>	<b4>	<b5>	<c>
State	Exchange (ILEC)	SAC (CETC)	Rate Type	Residential Local Service Rate	State Subscriber Line Charge	State Universal Service Fee	Mandatory Extended Area Service Charge	Total per line Rates and Fees
-- See attached worksheet								

REDACTED

CONFIDENTIAL PER WAC 480-07-160

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBEY TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

<711>	<a1>	<a2>	<b1>	<b2>	<c>	<d1>	<d2>	<d3>	<d4>
	State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rate and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)

See attached worksheet

REDACTED

CONFIDENTIAL PER WAC 480-07-160

(800) Operating Companies Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	522452
<015> Study Area Name	WHIDBEY TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com
<810> Reporting Carrier	Whidbey Telephone Company
<811> Holding Company	Whidbey Telephone Company
<812> Operating Company	Whidbey Telephone Company

<813>	<a1>	<a2>	<a3>
	Affiliates	SAC	Doing Business As Company or Brand Designation
-- See attached worksheet --			

REDACTED

CONFIDENTIAL PER WAC 480-07-160

(900) Tribal Lands Reporting Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	522452
<015> Study Area Name	WHIDBEY TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

<900> Does the filing entity offer tribal land services? (Y/N) No

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

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(1000) Voice and Broadband Service Rate Comparability Data Collection Form	FCC Form 481
	OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013

REDACTED

<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBEY TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

<1000> Voice services rate comparability certification Yes

<1010> Attach detailed description for voice services rate comparability compliance

522452wa1010.pdf

Name of Attached Document

<1020> Broadband comparability certification Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1030> Attach detailed description for broadband comparability compliance

522452wa1030.pdf

Name of Attached Document

CONFIDENTIAL PER WAC 480-07-160

REDACTED

(1100) No Terrestrial Backhaul Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBEY TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

<1100> Certify whether terrestrial backhaul options exist (Y/N)

Yes

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

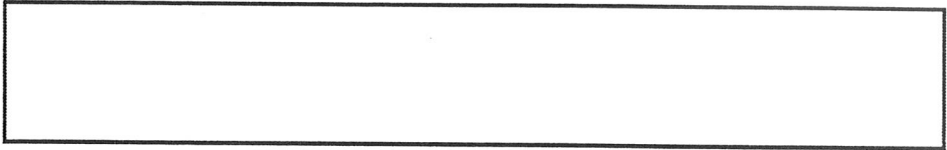
CONFIDENTIAL PER WAC 480-07-160

REDACTED

(1200) Terms and Condition for Lifeline Customers Lifeline Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	522452
<015> Study Area Name	WHIDBEY TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans



Name of Attached Document

<1220> Link to Public Website

HTTP <https://www.whidbeytel.com/products-services/voice-services/local-voice-service>

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,
- <1222> Details on the number of minutes provided as part of the plan,
- <1223> Additional charges for toll calls, and rates for each such plan.

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REDACTED

(2005) Price Cap Carrier Additional Documentation Data Collection Form <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i>		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBRY TEL. CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

<2011>	3rd Year Certification 47 CFR §54.313(b)(1)(ii) - Note that for the July 2017 certification, this applies to Round 2 recipients of Incremental Support.	<input style="width: 100%;" type="text"/>	
<2022>	Recipient certifies, representing year three after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.	<input style="width: 100%;" type="text"/>	
<2023>	The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year three - 54.313(b)(2)(ii). Round 2 recipients only.	<input style="width: 100%;" type="text"/>	
<2024A>	Round 2 Recipient of Incremental Support?	<input style="width: 100%;" type="text"/>	<input style="width: 100%; height: 40px;" type="text"/>
<2024B>	Attach list of census blocks indicating where funding was spent in year three - 54.313(b)(2)(ii). Round 2 recipients only.		
<2025A>	Round 2 Recipient of Incremental Support?	<input style="width: 100%;" type="text"/>	
<2025B>	Attach geocoded Information for Phase I milestone reports (Round 2 for year three) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13-73, paragraph 35 (May 22, 2013).		<input style="width: 100%; height: 40px;" type="text"/>
<2015>	2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)	<input style="width: 100%;" type="text"/>	

Name of Attached Document Listing
Required Information

Name of Attached Document Listing
Required Information

CONFIDENTIAL PER WAC 480-07-160

REDACTED

<p>(2005) Price Cap Carrier Additional Documentation Data Collection Form <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i></p>	<p>FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013</p>
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Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017C> Total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2016.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(1)(ii)(A)

Name of Attached Document Listing Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(1)(ii)(C)

CONFIDENTIAL PER WAC 480-07-160

<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBEY TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

Select from the drop down menu or check the boxes below to note compliance with 54.313(f)(1). Privately held carriers must ensure compliance with the financial reporting requirements set forth in 47 CFR 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009) Progress Report on 5 Year Plan
Carrier certifies to 54.313(f)(1)(iii)

Yes - Attach Certification

(3010A) Certification of Public Interest Obligations (47 CFR § 54.313(f)(1)(i))

522452wa3010.pdf

(3010B) Please Provide Attachment

Name of Attached Document Listing Required Information

(3012A) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

No - No New Community Anchors

(3012B) Please Provide Attachment

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))

(Yes/No)

(3014) If yes, does your company file the RUS annual report

(Yes/No)

Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

(3016) Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, is your company audited?

(Yes/No)

If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3021) Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.

If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers

(3023) Underlying information subjected to a review by an independent certified public accountant

(3024) Underlying information subjected to an officer certification.

(3025) Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows

(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

522452wa3026.pdf

(3005) Rate Of Return Carrier Additional Documentation (Continued)

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

REDACTED

<010> Study Area Code	522452
<015> Study Area Name	WHIDBEY TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

Financial Data Summary

(3027) Revenue

(3028) Operating Expenses

(3029) Net Income

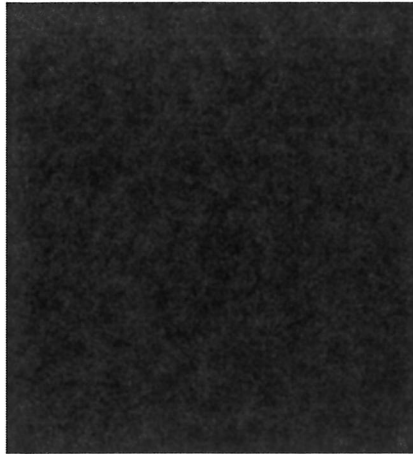
(3030) Telephone Plant In Service(TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends



CONFIDENTIAL PER WAC 480-07-160

Name of Attached Document Listing Required Information

<010>	Study Area Code	372432
<015>	Study Area Name	WILSON? EDU 22.
<020>	Program Year	2013
<030>	Contact Name - Person USAC should contact regarding this data	CELIA MASON
<035>	Contact Telephone Number - Number of person identified in data line <030>	3632219913 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	celia.mason@whi087741.com

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year. Name of Attached Document Listing Required Information

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

4004a. Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481. Name of Attached Document Listing Required Information

4004b. Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area. Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	522452
<015> Study Area Name	WHIDBEY TEL CO.
<020> Program Year	2019
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: WHIDBEY TEL CO.	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/26/2017
Printed name of Authorized Officer: Frank McIntyre	
Title or position of Authorized Officer: Secretary/Treasurer	
Telephone number of Authorized Officer: 3603210033 ext.	
Study Area Code of Reporting Carrier: 522452	Filing Due Date for this form: 07/03/2017
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

REDACTED

CONFIDENTIAL PER WAC 480-07-160

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	522452
<015> Study Area Name	WHIDBEY TEL CO.
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent Firm:	
Signature of Authorized Agent or Employee of Agent:	Date:
Name of Authorized Agent Employee:	
Title or position of Authorized Agent or Employee of Agent:	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

(700) Price Offerings Including Voice Rate Data
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBEY TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeyTel.com

<701>	Residential Local Service Charge Effective Date	1/1/2017
<702>	Single State-wide Residential Local Service Charge	

<703>

<a1>	<a2>	<a3>	<b1>	<b2>	<b3>	<b4>	<b5>	<c>
State	Exchange (ILEC)	SAC (CETC)	Rate Type	Residential Local Service Rate	State Subscriber Line Charge	State Universal Service Fee	Mandatory Extended Area Service Charge	Total per line Rates and Fees
WA	ALL		FR	18.0	0.0	0.0	0.0	18.0
WA	ALL		FR	18.0	0.0	0.0	0.0	18.0

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	522452
<015>	Study Area Name	WHIDREY TEL. CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com

<a1>	<a2>	<b1>	<b2>	<c>	<d1>	<d2>	<d3>	<d4>
State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rates and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached {select}
WA	South Whidbey	29.95	0.0	29.95	6.0	1.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	34.95	0.0	34.95	6.0	3.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	39.95	0.0	39.95	10.0	3.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	39.95	0.0	39.95	12.0	1.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	44.95	0.0	44.95	12.0	3.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	44.95	0.0	44.95	18.0	1.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	49.95	0.0	49.95	18.0	3.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	49.95	0.0	49.95	20.0	3.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	59.95	0.0	59.95	30.0	3.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	69.95	0.0	69.95	30.0	10.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	79.95	0.0	79.95	50.0	10.0	0.0	Other, No limit on usage allowance
WA	South Whidbey	89.95	0.0	89.95	50.0	20.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	29.95	0.0	29.95	6.0	1.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	34.95	0.0	34.95	6.0	3.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	39.95	0.0	39.95	10.0	3.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	39.95	0.0	39.95	12.0	1.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	44.95	0.0	44.95	12.0	3.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	44.95	0.0	44.95	18.0	1.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	49.95	0.0	49.95	18.0	3.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	49.95	0.0	49.95	20.0	3.0	0.0	Other, No limit on usage allowance
WA	Point Roberts	59.95	0.0	59.95	30.0	3.0	0.0	Other, No limit on usage allowance

REDACTED

(800) Operating Companies Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	522452
<015>	Study Area Name	WHIDBEY TEL CO.
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Trish Mason
<035>	Contact Telephone Number - Number of person identified in data line <030>	3603210013 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	trish.mason@whidbeytel.com
<810>	Reporting Carrier	Whidbey Telephone Company
<811>	Holding Company	Whidbey Telephone Company
<812>	Operating Company	Whidbey Telephone Company

<813>	<a1>	<a2>	<a3>
	Affiliates	SAC	Doing Business As Company or Brand Designation
	2012 George T.F. Henny Trust	522452	Whidbey Telephone Company
	2012 George T.F. Henny Trust	522452	Whidbey Telecom
	2012 George T.F. Henny Trust	522452	WhidbeyTV
	2012 George T.F. Henny Trust	522452	Bayview Storage
	2012 George T.F. Henny Trust	522452	Whidbey Telecom Internet & Broadband
	2012 George T.F. Henny Trust	522452	WiFire
	2012 Julia Henny DeMartini Trust	522452	Whidbey Telephone Company
	2012 Julia Henny DeMartini Trust	522452	Whidbey Telecom
	2012 Julia Henny DeMartini Trust	522452	WhidbeyTV
	2012 Julia Henny DeMartini Trust	522452	Bayview Storage
	2012 Julia Henny DeMartini Trust	522452	Whidbey Telecom Internet & Broadband
	2012 Julia Henny DeMartini Trust	522452	WiFire
	2012 Mark P. Henny Trust	522452	Whidbey Telephone Company
	2012 Mark P. Henny Trust	522452	Whidbey Telecom
	2012 Mark P. Henny Trust	522452	WhidbeyTV
	2012 Mark P. Henny Trust	522452	Bayview Storage
	2012 Mark P. Henny Trust	522452	Whidbey Telecom Internet & Broadband
	2012 Mark P. Henny Trust	522452	WiFire
	Western Long Distance, Inc.	522452	Western Long Distance
	Western Long Distance, Inc.	522452	WhidbeyTelecom Long Distance
	Western Long Distance, Inc.	522452	Point Roberts Long Distance
	Western Long Distance, Inc.	522452	Hat Island Long Distance
	Watercrest, Inc.	522452	Watercrest, Inc.

CONFIDENTIAL PER WAC 480-07-160

Whidbey Telephone Company
FCC Form 481 (July, 2017), Line 510
Description of Processes and Procedures to Ensure
Compliance with Service Quality Standards and
Consumer Protection Rules Per Instructions
For Completing FCC Form 481

This document details the processes and procedures that Whidbey Telephone Company (the "Company") follows to ensure compliance with service quality standards and consumer protections rules as set forth in the Instructions for Completing FCC Form 481.

For service quality standards that are affected by plant issues, the Company engineers and installs its plant and other facilities in such a way as to ensure, to the greatest extent possible, compliance with service quality standards that exist at the time that the plant and facilities are constructed. Plant is augmented, upgraded and/or reconfigured as needed.

In addition, Company employees are periodically briefed on issues involving service quality standards and consumer protection rules. In particular, if any set of issues appear to be prevalent, employees are given briefings on how to handle such issues. An example of such an issue is the call completion problems that have arisen and the customer calls that are generated as a result. Although this is not a service quality problem caused by the Company, it does affect customers of the Company and, therefore, deserves the attention of the Company employees.

The Company also periodically reviews its operating procedures to be sure that those operating procedures are in compliance with service quality standards and are not in violation of consumer protection rules. If questions arise, legal counsel is sought as needed.

If a complaint pertaining to the Company's compliance with service quality standards or consumer protection rules is received by the Company, the complaint is promptly investigated, the matter tracked and any corrective action noted. This process ensures that issues involved in the matter are addressed and corrections made, if needed.

Whidbey Telephone Company
FCC Form 481 (July, 2017), Line 610
Statement Describing Ability to Function in Emergency Situations
Per Instructions for Completing FCC Form 481

SUMMARY

Whidbey Telephone Company (the "Company") has a long-standing tradition of providing reliable voice telephony services. Since 1961, it has been and continues to be the Company's policy to bury all local distribution cable and wire. It is also the Company's policy and standard operating procedure to install, and use when necessary, back-up power systems at all network node installation sites. In regard to the Company's overall network design, the Company's practices are consistent with Rural Utility Service ("RUS") telecommunications industry best practices.

The Company operates and maintains transport transmission equipment of only the highest grade. Equipment specifications, which are consistent with the RUS specifications, require both redundant power and redundant circuit interfaces. All of the Company's transport and switching equipment is monitored 7x24x365(366) by trained staff located at the Company's network operations center.

NETWORK REDUNDANCY

The Company is a provider of voice telephony services to two geographically non-contiguous exchanges: the South Whidbey Exchange and the Point Roberts Exchange. The area of the Company's South Whidbey Exchange service area is more than 67 square miles, and the Company's Point Roberts Exchange service area includes approximately 6 square miles.

The Company has two central offices ("COs"; each a "CO");, South Whidbey and Point Roberts. The switch equipment is supported by the manufacturer. The Point Roberts CO is connected to the Company's South Whidbey CO via multiple diversely routed redundant facilities and is configured to maintain limited service including local emergency services in the event of a facility failure to the South Whidbey CO. The primary paths consist of a diversely routed optical fiber ring utilizing Synchronous Optical Network ("SONET") technology. In addition, the Company operates a microwave transmission path between South Whidbey and Point Roberts, providing multiple DS-3s capacity which offers additional back-up capability.

The Company's voice telephony network has diversely routed paths to multiple points of interconnection with the networks of other voice telephony carriers. The Company also operates an Ethernet optical ring that connects its South Whidbey network with collocation facilities utilized by the Company outside its service area. The combination of the optical ring architecture and the DWDM capability of the Company's core transport equipment provides a highly reliable circuit network for voice telephony communications with substantial opportunity for augmentation, if demand volumes were to so require.

The Company's presence in collocation facilities allows for multiple points of interconnection with both local and regional carriers, giving the Company the flexibility to route traffic to multiple carriers. During service impairment created by physical damage or extraordinarily high traffic, the Company has the capability to reroute voice telephony traffic through any of those collocation facilities.

The network architecture within the Company's South Whidbey service area is comprised of a host CO and a number of core aggregation points, or Optical Remote Sites ("ORSs"). All of the ORS locations are connected by a physically diverse optical DWDM ring, with any of those locations being capable of maintaining service in the event of a failure of that physical fiber cable.

Connectivity to the end-user customer base is accomplished by the placement of a number of Broadband Loop Carrier remote terminals ("BLCs") that subtend the ORSs or host CO. Each of these BLCs has optical diversity between the main CO and serving ORS. Some of the BLCs also have physical route diversity connected to the CO or ORS that they subtend.

The Company's employees are trained to operate, maintain and/or repair the Company's network facilities. Qualified Company personnel are available for call-out 24x7x365(366) in the event of a service outage. The Company maintains an inventory of critical spare electronic/optronic cards, as well as cabinets, cable and other related materials necessary for restoration on site at both South Whidbey and Point Roberts.

BACK-UP POWER

The Company maintains a power plant at each CO, ORS, BLC and microwave site with batteries capable of carrying the power load for several hours with the load typically transitioning more immediately to a generator back-up power generation. For BLC sites without local generators, portable generators are deployed as needed.

In addition, the Company has installed back-up power generation at its COs, as well as at each of its ORSs and microwave installations. These generators range in size from 750kw to 5kw. Each generator has a dedicated fuel tank onsite designed to carry the power load for multiple days. All of these sites are equipped with automatic transfer switches and have monitoring equipment that provides monitoring visibility with respect to loss of external commercial power and transfer switch status. Upon recognition of loss of the commercial power source, the relevant automatic transfer switch is designed to automatically start the back-up generator and transfer the selected power source. Alarm messages are automatically reported to key personnel, as well as to the Company's 7x24x365(366) network operations center.

The Company has in-house staff trained to perform all maintenance of the power plant and has contract services available for support. Power distribution equipment within the Company's COs is inspected from time to time by vendor representatives to ensure proper maintenance. It is the Company's policy that all power plant maintenance be recorded and stored for future reference.

FCC FORM 481 (July 2017), Line 1010
Descriptive Document for Compliance of Pricing of
Fixed Voice Services with Required Relationship
To Applicable National Average Urban Rate for Voice
Service Benchmark, as required by 47 C.F.R. § 54.313(a)(10)
Per Instructions for Completing FCC Form 481

Section 54.313(a)(10) of the rules of the Federal Communications Commission (“FCC”) requires any recipient of high-cost support, such as Whidbey Telephone Company (“Company”), annually to certify that the pricing of the Company’s voice services is no more than two standard deviations above the applicable national average urban rate for voice service, as specified in the most recent public notice issued by the Wireline Competition Bureau and Wireless Telecommunications Bureau.

The most recent such notice issued by the Wireline Competition Bureau is Public Notice DA 17-167, released February 14, 2017, in WC Docket No. 10-90 (“Public Notice”). That public notice includes the following statements, “Based on the survey results, the 2016 rate floor for voice services is \$22.49, [footnote omitted] and the reasonable comparability benchmark for voice services is \$49.51. [footnote omitted] In addition, each ETC, including competitive ETCs providing fixed voice services, [footnote omitted] must certify in the FCC Form 481 filed no later than July 1, 2017, that the pricing for its *basic residential voice* services is no more than \$49.51. [footnote omitted]” [Italics added.]

It is the Company’s understanding that the above-mentioned comparability benchmark includes the recurring residential service rate, any applicable State subscriber line charge rate, any applicable State universal service fund rate, any applicable minimum mandatory Extended Area Service rate, and any applicable Federal subscriber line charge rate.¹

Those components for the Company’s basic residential voice telephony service as of June 1, 2017, are as follows:

Recurring residential service rate	\$ 18.00
State subscriber line charge rate	0.00
State universal service fund rate	0.00
Minimum mandatory EAS rate	0.00
Federal subscriber line charge	<u>6.50</u>
Total	\$ 24.50

¹ See Note 5 on the “Data Dictionary” tab of 2016 Results [2016 URS Voice Data.xlsx] located from the FCC webpage having the following URL:

<https://www.fcc.gov/general/urban-rate-survey-data-resources>

The sum of the above-identified rates (\$24.50) is not more than the voice service comparability benchmark identified in the Public Notice (\$49.51).

**FCC FORM 481 (July 2017), Line 1030
 Descriptive Document for Compliance of Pricing of
 Broadband Services with Required Relationship
 To Applicable National Average Urban Rate for Broadband
 Service Benchmark, as required by 47 C.F.R. § 54.313(a)(12)
 Per Instructions for Completing FCC Form 481**

Section 54.313(a)(12) of the rules of the Federal Communications Commission ("FCC") requires any recipient of high-cost support, such as Whidbey Telephone Company ("Company"), annually to certify that the pricing of a service that meets the Commission's broadband public interest obligations is no more than the applicable benchmark to be announced annually in a public notice issued by the Wireline Competition Bureau, or is no more than the non-promotional price charged for a comparable fixed wireline service in urban areas in the states or U.S. Territories where the eligible telecommunications carrier receives support.

The most recent such notice issued by the Wireline Competition Bureau is Public Notice DA 17-167, released February 14, 2017 in WC Docket No. 10-90 ("Public Notice"). That public notice includes the following: "Under the approach adopted by the Bureau in 2014, the reasonable comparability broadband benchmark varies, depending upon the supported service's download and upload bandwidths and usage allowance. [footnote omitted]"

The Public Notice includes a table showing the "benchmark" rate for certain broadband service offerings and provides a URL link to an FCC webpage at which a tool to calculate "benchmarks" for other broadband service offerings may be found. The following table summarizes the broadband service plans offered to consumers by the Company and the associated "benchmark," as determined from the Public Notice or the "tool" to which it refers:

Download Speed (Mbps) (up to)	Upload Speed (Mbps) (up to)	Usage Allowance (GB)	Benchmark	Company Pricing
10	3	Unlimited	\$78.47	\$39.95
20	3	Unlimited	\$87.60	\$49.95
30	3	Unlimited	\$92.93	\$59.95
30	10	Unlimited	\$93.49	\$69.95
50	10	Unlimited	\$100.20	\$79.95
50	20	Unlimited	\$100.52	\$89.95

As shown in the above table, each of the broadband service plans offered to consumers by the Company, for which "benchmark" rates are available, is offered at a price that is below the applicable "benchmark."



June 26, 2017

Ms. Marlene H. Dortch, Secretary
Federal Communication Commission
Office of the Secretary
455 12th Street, SW
Washington, DC 20554

RE: WC Docket No. 10-90 and 14-58 –
Annual Report Due July 1, 2015, FCC Form 481 for
Rate of Return Carriers Receiving High-Cost Support –
47 C.F.R. § 54.313(f)(1)(i) "Public Interest Certification"

Dear Ms. Dortch:

In compliance with the filing requirements associated with FCC Form 481 due July 1, 2017, and in compliance with Section 53.313(f)(1)(i) of the Commission's rules, Whidbey Telephone Company (Study Area 522452) hereby certifies that it has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, and that requests for such service were met within a reasonable amount of time.

Sincerely,

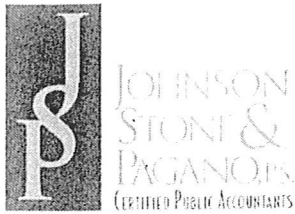
WHIDBEY TELEPHONE COMPANY

By 
Frank McIntyre
Controller

REDACTED

14883 SR 525 Langley, WA 98260 • Phone 360 321 1111 • Fax 360 321 8118 • www.whidbey.com

CONFIDENTIAL PER WAC 480-07-160



1501 Regents Blvd., Suite 100
Fircrest, WA 98466-6060

April 26, 2017

Board of Directors and Management of
Whidbey Telephone Company and Subsidiaries
Langley, Washington

To Management and the Board of Directors:

We have audited the consolidated financial statements of Whidbey Telephone Company and Subsidiaries (the "Company") as of December 31, 2016, and have issued our report thereon dated April 26, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 16, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Whidbey Telephone Company and Subsidiaries are described in Note 1 to the consolidated financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2016. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting these consolidated financial statements include management's estimate of the useful lives of property, plant and equipment, recoverability of long-term assets, fair value of financial instruments and investments, collectability of related party receivables and interstate revenue requirements all of which are based on prior experience with similar assets, liabilities and interstate filing requirements. Also included is management's estimate of the future maturities of long-term debt which are based on minimum required payments at current levels of debt.

We evaluated these estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

Certain consolidated financial statement disclosures are particularly sensitive because of their significance to the financial statement users. The most sensitive disclosures affecting the consolidated financial statements were regarding investments (Note 4), property, plant and equipment (Note 5), notes payable and long-term debt (Note 6), discontinued operations (Note 8), leases and service agreements (Note 9) and various related party transactions (Notes 4 and 11).

The consolidated financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the consolidated financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the consolidated financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 26, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Company's consolidated financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period and the information is appropriate and complete in relation to our

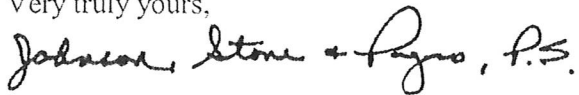
Board of Directors and Management of
Whidbey Telephone Company and Subsidiaries
April 26, 2017

Page 3

audit of the consolidated financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

This information is intended solely for the use of management and the board of directors of Whidbey Telephone Company and Subsidiaries and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Johnson, Stone & Pagano, P.S.".

JOHNSON, STONE & PAGANO, P.S.

REDACTED

(3005a) Operating Report for Privately-Held Rate of Return Carriers
 Balance Sheet - Data Collection Form
 Page 1 of 3

FCC Form 481
 OMB Control No. 3060-0986
 July 2013

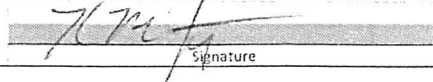
<010> Study Area Code 522452
 <015> Study Area Name Whidbey Telephone Company
 <020> Program Year 2018
 <030> Contact Name - Person USAC should contact regarding this data Trish Mason
 <035> Contact Telephone Number - Number of person identified in data line <030> 360-321-0013
 <039> Contact Telephone Email Address - Email Address of person identified in data line <030> trish.mason@whidbeytel.com

Files as reviewed single company
 Filed as reviewed consolidated company
 Filed as subsidiary of reviewed consolidated company

Filed as audited single company
 Filed as audited consolidated company
 Filed as subsidiary of audited consolidated company

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.


 Signature

4/14/17
 Date

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
			40. Funded Debt-Rural Develop. Loan		
NONCURRENT ASSETS			41. Premium (Discount) on L/T Debt		
11. Investment in Affiliated Companies			42. Reacquired Debt		
a. Rural Development			43. Obligations Under Capital Lease		
b. Nonrural Development			44. Adv. From Affiliated Companies		
12. Other Investments			45. Other Long-Term Debt		
a. Rural Development			46. Total Long-Term Debt (36 thru 45)		
b. Nonrural Development			OTHER LIAB. & DEF. CREDITS		
13. Nonregulated Investments			47. Other Long-Term Liabilities		
14. Other Noncurrent Assets			48. Other Deferred Credits		
15. Deferred Charges			49. Other Jurisdictional Differences		
16. Jurisdictional Differences			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
17. Total Noncurrent Assets (11 thru 16)			EQUITY		
			51. Cap. Stock Outstanding & Subscribed		
PLANT, PROPERTY, AND EQUIPMENT			52. Additional Paid-in-Capital		
18. Telecom, Plant-in-Service			53. Treasury Stock		
19. Property Held for Future Use			54. Membership and Cap. Certificates		
20. Plant Under Construction			55. Other Capital		
21. Plant Adj., Nonop. Plant & Goodwill			56. Patronage Capital Credits		
22. Less Accumulated Depreciation			57. Retained Earnings or Margins		
23. Net Plant (18 thru 21 less 22)			58. Total Equity (51 thru 57)		
24. TOTAL ASSETS (10+17+23)			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

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<010> Study Area Code	<010> 522452
<015> Study Area Name	<015> Whidbey Telephone Company
<020> Program Year	<020> 2018
<030> Contact Name - Person USAC should contact regarding this data	<030> Trish Mason
<035> Contact Telephone Number - Number of person identified in data line <030>	<035> 360-321-0013
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>	<039> trish.mason@whidbeytel.com

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins end-of-Period [(31+33+34)-(35+36+37+38)]		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11)/7]		
46. Operating Accrual Ratio [(14+20+26)/7]		
47. TIER [(31+26)/26]		
48. DSCR [(31+26+10+11)/44]		

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<039> Contact Telephone Email Address - Email Address of person identified in data line <030>	<039>	trish.mason@whidbeytel.com

PART C. STATEMENTS OF CASH FLOWS	
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)
CASH FLOWS FROM OPERATING ACTIVITIES	
2.	Net Income
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
3.	Add: Depreciation
4.	Add: Amortization
5.	Other (Explain)
Changes in Operating Assets and Liabilities	
6.	Decrease/(Increase) in Accounts Receivable
7.	Decrease/(Increase) in Materials and Inventory
8.	Decrease/(Increase) in Prepayments and Deferred Charges
9.	Decrease/(Increase) in Other Current Assets
10.	Increase/(Decrease) in Accounts Payable
11.	Increase/(Decrease) in Advance Billings & Payments
12.	Increase/(Decrease) in Other Current Liabilities
13.	Net Cash Provided/(Used) by Operations
CASH FLOWS FROM FINANCING ACTIVITIES	
14.	Decrease/(Increase) in Notes Receivable
15.	Increase/(Decrease) in Notes Payable
16.	Increase/(Decrease) in Customer Deposits
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital
20.	Less: Payment of Dividends
21.	Less: Patronage Capital Credits Retired
22.	Other (Explain)
23.	Net Cash Provided/(Used) by Financing Activities
CASH FLOWS FROM INVESTING ACTIVITIES	
24.	Net Capital Expenditures (Property, Plant & Equipment)
25.	Other Long-Term Investments
26.	Other Noncurrent Assets & Jurisdictional Differences
27.	Other (Explain)
28.	Net Cash Provided/(Used) by Investing Activities
29.	Net Increase/(Decrease) in Cash
30.	Ending Cash