

**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 Eastern Sub-RSA 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 made the following approximate capital additions: Radios (\$90,403), Towers (\$39,959), Buildings (\$30,551), Antenna (\$133,288), Microwave (\$336,975) and Broadband (\$11,254); total capital addition of approximately \$642,430. These investments include one new cell site, EVDO upgrades and upgrades of Microwave for Ethernet transport. Operating expenses, excluding the cost of handsets, roaming and toll expenses, for the same time period were approximately \$2,959,000.

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 \$1,971,000 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:

1/16/11 at 9:27 pm - Error message “Heartbeat not received from subsystem” received from the cellular site known as Grand Coulee; technician was in area, dispatched to site and coordinated re-establishment of fiber link to Grant County PUD; since this site is primarily a roaming site on the northern perimeter, it is unclear how many, if any, subscribers were affected since the general area is also covered by cellular sites at Hartline and Wilbur; service restored at approximately 11:32 pm; duration of approximately 2 hours and 5 minutes; the failures of connections with other providers 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.

1/31/11 at 3:10 pm - Error message “Microwave out of service alarm” received from the cellular site known as Lind East; technician was in area and could not determine what was causing interference with the microwave; it is unclear how many, if any, subscribers were affected (40 subscribers listed with Lind addresses) since the general area is also covered by cellular sites at Lind, Woodward and Reiman; service restored at approximately 4:19 pm; duration of approximately 1 hour and 9 minutes; microwave interference is 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.

6/19/11 at 3:17 am - Error message "Heartbeat not received from subsystem" received from the cellular site known as Woodward; technician dispatched to site and could not determine what was causing interference with the microwave; it is unclear how many, if any, subscribers were affected since this site is on the southern perimeter along State Highway 26 and the general area is also covered by cellular sites at Lind, Lind East, Cunningham and Washtucna; service restored at approximately 9:23 am; duration of approximately 6 hours and 6 minutes; microwave interference is 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.

6/20/11 at 8:13 am - Error message "Heartbeat not received from subsystem" received from the cellular site known as Woodward; technician was in area, dispatched to site and could not determine what was causing interference with the microwave; it is unclear how many, if any, subscribers were affected since this site is on the southern perimeter along State Highway 26 and the general area is also covered by cellular sites at Lind, Lind East, Cunningham and Washtucna; service restored at approximately 11:10 am; duration of approximately 2 hours and 57 minutes; microwave interference is 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.

6/20/11 at 8:27 am - Error message "Microwave out of service alarm" received from the cellular site known as Lind; technician was in area, dispatched to site and could not determine what was causing interference with the microwave; approximately 40 subscribers may have been affected however, the area is also covered by overlapping signals from cellular sites at Lind East, Woodward, Cunningham and Reiman; service restored at approximately 11:00 am; duration of approximately 2 hours and 33 minutes; microwave interference is 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.

6/21/11 at 1:59 am – Error report of lost sector, FA1, Sector 1, received from the cellular site known as Harrington; technician in area, dispatched to site and reset microwave transmission equipment; since this is one sector, it is unclear how many of the approximate 241 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at Odessa, Sprague and Davenport; service restored at approximately 3:08 am; duration of approximately 1 hour and 9 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.

8/17/11 at 8:25 am – Error report of lost sector, FA1, Sector 1, received from the cellular site known as Harrington; technician dispatched to site and card was reset; since this is one sector, it is unclear how many of the approximate 241 subscribers

may have been without service however, the area is also served by overlapping signals from cellular sites at Odessa, Sprague and Davenport; service restored at approximately 12:31 pm; duration of approximately 4 hours and 5 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.

8/18/11 at 8:42 am - Error message "Microwave out of service alarm" received from the cellular site known as Cunningham; technician dispatched to site and reset microwave transmission equipment; it is unclear how many, if any, subscribers were affected since this site is on the southern perimeter along State Highway 26 and the general area is also covered by cellular sites at Lind, Woodward and Othello; service restored at approximately 11:48 am; duration of approximately 3 hours and 6 minutes; microwave interference is 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.

9/18/11 at 1:52 pm - Error message "Heartbeat not received from subsystem" received from the cellular site known as Grand Coulee; technician was in area, dispatched and coordinated re-establishment of fiber link to Grant County PUD; since this site is primarily a roaming site on the northern perimeter, it is unclear how many, if any, subscribers were affected since the general area is also covered by cellular sites at Hartline and Wilbur; service restored at approximately 3:17 pm; duration of approximately 1 hour and 24 minutes; the failures of connections with other providers 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.

9/20/11 at 4:14 am - Error message "Heartbeat not received from subsystem" received from the cellular site known as Grand Coulee; technician was in area, dispatched and coordinated re-establishment of fiber link to Grant County PUD; since this site is primarily a roaming site on the northern perimeter, it is unclear how many, if any, subscribers were affected since the general area is also covered by cellular sites at Hartline and Wilbur; service restored at approximately 7:16 am; duration of approximately 3 hour and 2 minutes; the failures of connections with other providers 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.

9/21/11 at 4:14 am – Error report of, "FA1-This carrier is disabled", received from the cellular site known as Wilson Creek; technician in area, dispatched to site and T1 card was reset; approximately 151 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at Odessa and Stratford; service restored at approximately 5:44 am; duration of approximately 1 hour and 29 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 2,872 subscribers were without Inland Cellular service; card in MUX replaced; service restored at approximately 5:00 pm; card failures are unexpected and back-up cannot be provided; 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.

11/3/11 at 10:15 am - Error message “Heartbeat not received from subsystem” received from the cellular site known as Grand Coulee; technician was in area, dispatched to site and coordinated re-establishment of fiber link to Grant County PUD; since this site is primarily a roaming site on the northern perimeter, it is unclear how many, if any, subscribers were affected since the general area is also covered by cellular sites at Hartline and Wilbur; service restored at approximately 11:43 am; duration of approximately 1 hour and 27 minutes; the failures of connections with other providers 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.

11/24/11 at 8:40 pm – Error message “Heartbeat not received from subsystem” received from the cellular site known as Harrington; technician in area, dispatched to site and reset microwave transmission equipment; approximately 241 subscribers may have been without service however, the area is also served by overlapping signals from cellular sites at Odessa, Sprague and Davenport; service restored at approximately 9:48 am; duration of approximately 1 hour and 8 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.

12/29/11 at 6:16 pm – T1 outage to our Coulee City site; approximately 300 subscribers were without Inland Cellular service; outage was on the Qwest/CenturyLink side which they repaired; service restored at approximately 1:00 am on 12/31/11; 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.

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 for cellular sites that include microwave back-bone facilities (\$1,489,000), upgrade sites to EVDO (\$839,000) and upgrade the microwave back-bone facilities (\$632,000); total estimated additions of \$2,960,000. 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 \$3,695,000.

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 \$2,052,000 of the expense figure set forth in Report 6 above.

Dated: July 24, 2012

Revised per Review: August 15, 2012