ETC ANNUAL REPORT PER WAC 480-123-070 AND WAC 480-123-080

Contains Certifications Required by WAC 480-123-060 and 070

May 10, 2017

Salish Networks, Inc. herby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.

1. Report 1: Report on use of funds: WAC 480-123-070(1)(a):

Salish Networks did not receive any federal high-cost funds in 2016.

1. Report 2: WAC 480-123-070(1)(b): Salish Networks reports that the investments and expenses report under Report 1, above, benefited the customers as follows:

Salish Networks did not receive any federal high-cost funds in 2016

1. Report 3: Local Services Outage Report: WAC 480-123-070(2):

 None

1. Report 4: Report on Failure to Provide Service: WAC 480-123-070(3):

None

1. Report 5: Report on Complaints per 1000 Connections: WAC 480-123-070(4):

Salish Networks is unaware of any customer complaints for any of the required categories to the Federal Communications Commission, the consumer protection division of the office of the attorney general of Washington or to any other agency for the entire duration of 2016.

1. Report 6: Annual Plan: WAC 480-123-080(1):

Salish Networks recently received ETC status approval from the WUTC in Oct 2016. Salish Networks did not request our final designation as an ETC from the FCC until Jan 2017. As such, Salish Networks has not requested nor received any high-cost funds.

1. Report 7: Plan of Investments and Expenditures: WAC 480-123-080(2):

Salish Networks recently received ETC status approval from the WUTC in Oct 2016. Salish Networks did not request our final designation as an ETC from the FCC until Jan 2017. As such, Salish Networks has not requested nor received any high-cost funds.