

Attachment

Ellensburg Telephone Company Adjusted* Regulated Financial Trends As Provided by Company in Exhibit 4 the of State USF Program Petitions Filed in 2014 and 2015

Table 1

Financial Trends	2012	2013	2014	\$	%
Rate Base (A)	\$ 7,428,322	\$ 6,877,838	\$ 6,420,687	\$(1,007,635)	(13.6)%
Net Oper. Inc.	\$ 645,081*	\$ 752,268*	\$ 1,395,562*	\$ 750,481	116%
Rate of Return	8.7%	10.9%	21.7%		
Revenue	\$12,298,903*	\$11,833,672*	\$11,400,224*	\$ (898,679)	(7.3)%
Local	\$ 3,634,927	\$ 3,551,316	\$ 3,226,324	\$ (408,603)	(11.2)%
Access Svc.	\$ 7,608,619*	\$ 7,162,582*	\$ 7,365,255*	\$ (102,464)	(1.4)%
Oper. Exp.	\$11,219,392	\$10,353,898	\$ 9,015,736	\$(2,203,656)	(19.6)%
Depreciation	\$ 2,758,998	\$ 2,138,441	\$ 1,525,261	\$(1,233,737)	(44.7)%
Plant Specific	\$ 4,009,373	\$ 4,210,402	\$ 3,571,846	\$(437,527)	(10.9)%
Corp. Oper.	\$ 2,066,431	\$ 1,725,649	\$ 1,742,819	\$(323,612)	(15.7)%

*Results include company provided out-of-period adjustments which impacted net operating income and access service revenue.

(A)– 2013 and 2014 is average rate base; 2012 is end of period.

Ellensburg Telephone Company 2014 Net Operating Income and Reduction in Revenue Required to Achieve and 11.25 or 10 Percent Regulated Rate of Return

Table 2

Average Rate Base	\$6,420,687
Net Operating Income	\$1,395,562
Current Regulated Rate of Return (ROR)	21.7%
2015 State USF Support to be Received if Approved	\$ 407,243
Gross Revenue Reduction Required to Achieve 11.25% ROR	\$1,035,746
Gross Revenue Reduction Required to Achieve 10.0% ROR	\$1,159,220