

EXHIBIT B – TWO YEAR PLAN

VALLEY TELEPHONE COMPANY

[If applicable, provide an explanation as to why capital expenditures for 2016 (as submitted in the Company's 2015 Five Year Plan) do not match the 2016 capital additions on the preceding Exhibit A. Explain any network improvement targets that were not fulfilled or any additions that took place in 2016 but had not been planned.]

In 2017 the Company completed more of the project associated with the Lake Traverse FTTH upgrade investing \$389,000 and completing over 75% of the area originally planned over a 3-year period. The Company also invested an additional \$41,000 upgrading existing electronics that included G1& G4 GPON transceivers and splitter modules associated with the fiber network. Investments for Fiber Drops associated with new and existing customers was \$7,500 for the year. The Company is expected to complete the final stage of the FTTH upgrade in 2018, when completed the company projects minimal investment and projecting for electronics and drops associated with maintaining currently technology requirements.

Estimated Year 2019 Federal Universal Service Receipts:

- High Cost Loop Support
- Interstate Common Line Support
- CAF ICC Support
- Alternative Connect America Model (ACAM)
- Broadband Loop Support



The Company 2019 estimated capital additions are provided again for reference, together with the capital additions planned for 2018. Any Federal high-cost universal service support the Company receives will help defray the following estimate costs for plan improvements and upgrades.

Project #	Wire Center	Description of Capital Improvement	Estimated Population Served by Improvement	Start Date	Completion Date	Estimated Capital Expenditures	
						2019	2020
[Redacted Table Content]							