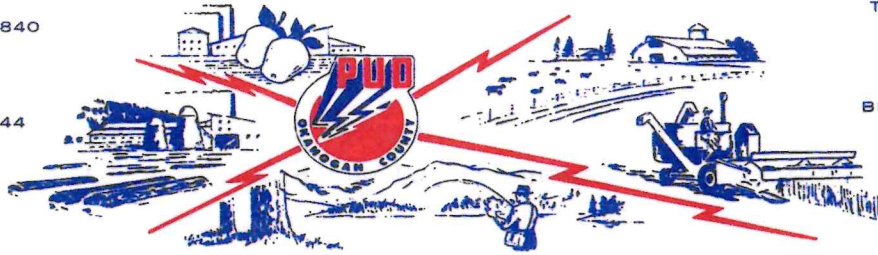


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PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY

May 4, 2026

To: Wireless Retail Services Providers,

The District is sending this letter to provide an update on our wireless program. In the early 2000s, the District extended internet service into a previously unserved region by constructing a fiber backbone from Pateros to the Canadian border. The primary objective of this investment was to support the District's internal business operations, with excess capacity made available to anchor institutions such as hospitals, schools, and other critical facilities. Following this deployment, the District activated wireless sites utilizing remaining network capacity. At the time, this initiative was recognized as one of the leading broadband solutions for rural communities in Washington State. As a result, Okanogan PUD began offering wholesale, cost-based broadband services over its wireless infrastructure to retail service providers, who in turn delivered broadband connectivity to residential and business customers throughout Okanogan County.

In 2010 the District secured grant funding to expand broadband service throughout our service territory. As part of this initiative, approximately 170 wireless sites were deployed, significantly increasing wireless capacity throughout the valley floor. Since that time, the District has continued to operate and maintain the wireless network, performing periodic upgrades to ensure ongoing service availability to Okanogan County residents.

Over the past several years, subscription rates have steadily declined while customer demand for higher-speed wireless service has increased. This trend is largely attributable to the entry of additional providers offering wireless services equivalent to, or exceeding, those available through the District's network. As a result, Okanogan County residents now have multiple options for both wireless and fiber-based broadband services, creating a highly competitive marketplace.

The District is required to set rates strictly to recover the full cost of providing wireless service, including operations, maintenance, and infrastructure. Because rates are cost-based rather than market-driven, the District does not compete on price with other wireless providers. Therefore, the District will continue operating its existing wireless system; however, there are currently no plans to make further investments in wireless infrastructure improvements. The District will continue to monitor subscriber levels, as well as pricing and service offerings from other wireless providers. Should future subscriber enrollment reach a level sufficient to offset the costs of upgrading the wireless infrastructure, the District would consider making such improvements at that time.

If you have questions or concerns, please reach out to Ron Gadeberg, Director of Power Resources, Broadband and Finance, at (509) 422-8488 or rong@okpud.org.

Thank you,



Randy Bird
General Manager
Okanogan PUD

CC:

Ron Gadeberg, Okanogan PUD