

**2017 ELIGIBLE TELECOMMUNICATIONS CARRIER CERTIFICATION  
REPORT AS REQUIRED BY WAC 480-123-060, WAC 480-123-070,  
AND WAC 480-123-080  
CENTURYTEL OF WASHINGTON, INC. D/B/A CENTURYLINK AND  
CENTURYTEL OF INTER-ISLAND, INC. D/B/A CENTURYLINK**

CenturyTel of Washington, Inc. d/b/a CenturyLink and CenturyTel of Inter-Island, Inc. d/b/a CenturyLink (“Company”) hereby submits the following report in accordance with WAC 480-123-060, WAC 480-123-070, and WAC 480-123-080.

**WAC 480-123-060 Annual certification of eligible telecommunications carriers.**

(1) Each ETC seeking certification of the ETC's use of federal high-cost funds pursuant to 47 C.F.R. § 54.314 must request certification by July 1st each year. The ETC must certify that all federal high-cost support provided to the ETC within Washington State was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The certification must be submitted by a company officer in the manner required by RCW 9A.72.085.

**Response:** Certification attached as Exhibit A.

(2): The commission will certify an ETC's use of federal high-cost universal service fund support, pursuant to 47 C.F.R. § 54.314 only if the ETC complies with the requirements in WAC 480-123-070, and the ETC demonstrates that it will use federal high-cost funds only for the provision, maintenance, and upgrading of facilities and services for which the support is intended through the requirements of WAC 480-123-080.

**Response:** See responses to WAC 480-123-070 and WAC 480-123-080 below.

**WAC 480-123-070 Annual certifications and reports.**

Not later than July 1st of each year, every ETC that receives federal support from any category in the federal high-cost fund must certify or report as described in this section. The certifications and reports are for activity related to Washington State in the period January 1st through December 31st of the previous year. A company officer must submit the certifications in the manner required by RCW 9A.72.085.

**(1) Report on use of federal funds and benefits to customers.**

(a) The report must provide a substantive description of investments made and expenses paid with support from the federal high-cost fund.

The report must include the company's gross capital expenditures and operating expenses made with federal high-cost support received by the ETC in the preceding calendar year along with a description of major projects and affected exchanges. A rate-of-return wireline ETC must also include a copy of its NECA-1 report for the preceding calendar year.

**Response:** Attached as Confidential Exhibits B, C and D are the Company's attributable operating expenses, capital expenditures and broadband enabled locations by wire center for the 2016 year respectively. These schedules are being submitted as CONFIDENTIAL documents under WAC 480-07-160 and RCW 80.04.095.

(b) Every ETC must provide a substantive description of the benefits to consumers that resulted from the investments and expenses reported pursuant to (a) of this subsection.

**Response:** The Company reports that the investment in plant and the expenses reported in Confidential Exhibits B and C submitted herewith provide very direct and substantial benefits to consumers. Over the years the Company has invested millions of dollars in building, maintaining, and operating a telecommunications network in the state of Washington. It is the growth, enhancement, and continued viability of this network that give consumers in the Company's service territory access to services that are vital in meeting their telecommunications needs. The expenditures reflected in the Company's exhibits have allowed the Company to provide services that meet the expectations addressed in 47 U.S.C. 254 for consumers in the service area for which the Company is designated as an Eligible Telecommunication Carrier.

The expenditures reflected in Confidential Exhibit C were directed to assuring that the network is positioned to meet the ever increasing needs and expectations of consumers. The company's expenditures included projects to increase network capacity. For example, projects that added fiber or cable to the network increased the network's capacity. Consumers benefit from increased capacity in that it allows additional consumers to join or access the network, allows additional services to be offered over the network, and reduces the likelihood that calls will be blocked.

Company expenditures have also gone to maintaining and increasing network reliability. Ability to access the network during periods of power outages clearly benefits the health and safety of consumers. Network reliability also benefits consumers by generally increasing the overall quality of service.

**(2) Local service outage report.**

(a) The report must include detailed information on any outage in the service area (during the prior calendar year) of at least thirty minutes in duration in which the ETC owns, operates, leases, or otherwise utilizes facilities, that potentially affect:

- (i) At least ten percent of the end users; or
- (ii) A 911 special facility, as defined in 47 C.F.R. § 4.5(e)

(b) Specifically, the eligible telecommunications carrier's annual report must include information detailing:

- (i) The date and time of onset and duration of the outage;
- (ii) A brief description of the outage and its resolution;
- (iii) The particular services affected;
- (iv) The geographic areas affected by the outage;
- (v) Steps taken to prevent a similar situation in the future; and
- (vi) The number of customers affected.

**Response:** Please see FCC Form 481 filed on or before July 3, 2017.

(3) **Report on failure to provide service.** The report must include the number of requests for service from potential customers within its designated service area that were unfulfilled during the prior calendar year. The ETC must also detail how it attempted to provide service to those potential customers.

**Response:** The Company reports that there were no outstanding requests for service from 2016 that are unfulfilled at the time of this filing.

(4) **Report on complaints per one thousand connections (fixed or mobile).** The report must provide separate totals for the number of complaints that the ETC's customers made to the Federal Communications Commission and the Consumer Protection Division of the Office of the Attorney General of the State of Washington. The ETC must also report the number of consumer complaints in each general category (for example, billing disputes, service quality).

**Response:** Exhibit E provides information on customer complaints to the FCC and to the Consumer protection division of the attorney general of Washington for 2016. Furthermore, Exhibit E provides a breakdown of all its 2016 complaints regardless of whether they were complaints for a supported service or for other services not supported by high cost funding.

The company's efforts to resolve complaints for all complaint categories are based on the following process:

- Review the complaint to determine the nature of the problem
- Review the company's records/data to substantiate the claim
- Determine if the company's practices, which may have led to the complaint, are in accord with applicable statutes and rules

- If the company determines that its actions/practices that led to the complaint are in accord with applicable statutes and rules, it will provide substantiation for its claim to the investigating agency
- If the company determines that its actions/practices that led to the complaint are not in accord with applicable statutes and practices, it will attempt to resolve the problem (i.e., service credits, service repair, etc.)
- If the company determines that its actions/practices that led to the complaint are not in accord with applicable statutes and practices, and it is a systemic problem, it will notify the appropriate business/operation unit to take corrective action to fix the deficient or defective systems or processes.
- In any event, the company always works closely with the regulating agencies to quickly resolve customer's service-affecting issues.

**(5) Certification of compliance with applicable service quality standards and consumer protection rules.** Certify that it met substantially the applicable service quality standards and consumer protection rules found in WAC 480-123-030 (1)(h).

**Response:** Certification attached as Exhibit A.

**(6) Certification of ability to function in emergency situations.** Certify that it had the ability to function in emergency situations based on continued adherence to the standards found in WAC 480-123-030 (1)(g).

**Response:** Certification attached as Exhibit A.

**(7) Advertising certification, including advertisement on Indian reservations.** Certify it has publicized the availability of its applicable telephone assistance programs, such as Lifeline, in a manner reasonably designed to reach those likely to qualify for service, including residents of federally recognized Indian reservations within the ETC's designated service area. Such publicity should include advertisements likely to reach those who are not current customers of the ETC within its designated service area.

**Response:** Certification attached as Exhibit A.

**(8) Report filing alternatives.** To the extent the company has filed a report with a federal agency that provides the data requested by the commission, the company can refer to that docket number and the date the information was filed with the commission.

**WAC 480-123-080 Annual plan for universal service support expenditures.**

(1) Not later than July 1st of each year, every ETC that receives federal support from any category in the federal high-cost fund must report the planned use of federal support

related to Washington state that will be received during the coming calendar year. The report must include the company's planned gross capital expenditures and operating expenses made with federal high-cost support received by the ETC for the coming calendar year along with a description of major projects and affected exchanges.

**Response:** The Company submits herewith Confidential Exhibit F. The schedule is not all-inclusive of the Company's planned capital expenditures but does list some of the more significant projects the Company is undertaking in 2017. The exhibit also includes a 2018 plan. The exhibit is quite detailed with regard to equipment, location, and cost and therefore constitutes valuable commercial information in the form of network configuration and design information as recognized under RCW 80.04.095. Therefore the schedule is being submitted as a CONFIDENTIAL document under WAC 480-07-160 and RCW 80.04.095. The Company also expects to incur expenses associated with maintaining and operating its network in the state of Washington at a level that will be similar to the expenses indicated on Confidential Exhibit B and Confidential Exhibit C submitted in response to WAC 480-123-070(1)(a).

(2) The report must include a substantive plan of the investments and expenditures to be made with federal support and a substantive description of how those investments and expenditures will benefit customers.

**Response:** The Company states that federal support will be used only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended under 47 U.S.C. 254. The federal support will be used to fund operations of, and improvements to, the network, including some of the various projects included in Confidential Exhibit F as well as expenses at a level similar to that indicated in Confidential Exhibits B & C submitted in response to WAC 480-123-070(1)(a). The Company's use of federal support in this manner will benefit consumers. As discussed previously in this report, these types of expenditures will serve to sustain and improve network capacity and reliability. This network capacity and reliability is essential to providing the level of service anticipated in 47U.S.C. 254 and therefore benefits consumers.

For more specific consumer benefits associated with planned expenditures, the Company incorporates by reference the column of the Confidential Exhibit F schedule that is entitled "Narrative". The narrative for each project on the schedule identifies specific improvements that will benefit consumers in specific areas. See Exhibit G for a report on planned use of federal support of the company's planned investments in 2018.

(3) As part of the initial ETC petition for federal high-cost support, and at least once every three years thereafter, a wireless ETC must submit a map in .shp format that shows the general location where it provides commercial mobile radio service signals.

**Response:** This is not applicable to the Company, as it is not a wireless ETC.