



WeavTel
P.O. Box 2937
Chelan, Washington 98816
(509) 682-5556
(509) 682-5558 Fax
rick@weavnet.com

February 12, 2018

VIA E-FILING

Mr. Steven V. King, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, Washington 98504-7250

RE: Docket UT-180035

Dear Mr. King:

Westgate Communications LLC (dba "WeavTel" or "Company") is submitting this letter in the above referenced docket. The purpose of this staff investigation docket is to inquire into the effects The Tax Cuts and Jobs Act (TCJA) would have on WeavTel's deferred income taxes. From a federal income tax perspective, WeavTel has elected to be taxed as a Limited Liability Company ("LLC") under the provisions of the Internal Revenue Code. As an LLC, taxable earnings and losses of the Company are flowed through to the Company's member tax returns, taxed at the applicable tax rate of the members and no provisions for federal income tax expenses or deferred income taxes are recorded on WeavTel's financial statements. For the purposes of interstate cost recovery and universal service funding, as well as support from the Washington State Universal Communications Services Program, WeavTel imputes federal income tax expense and deferred income taxes based on the regulated earnings and effective tax rates of the LLC members.

At this time, it is not possible for WeavTel's to provide accurate and complete deferred income tax data as requested in the Washington Utilities and Transportation Commission's (WUTC) Information Request ("Information Request") of January 12, 2018. WeavTel's year-end 2017 financial data is unaudited at this time. The Company is presently scheduling its December 31, 2017 financial statement audit ("audit") with its external auditing firm. WeavTel anticipates that the Company's audit will be completed by April 30, 2018. WeavTel's 2017 federal income tax return and the returns of its LLC members will not be completed until some point after the audit. The WUTC is also requesting jurisdictionally separated (Washington Intrastate) deferred federal income and excess deferred income tax balances at December 31, 2017. As mentioned above, these amounts are not calculated in WeavTel's financial statements and the imputed amounts will be developed and included in WeavTel's 2017 separations and access cost studies, the source for separated Washington Intrastate balances, that will be completed and submitted to the National Exchange Carrier Association, Inc. (NECA) on July 31, 2018. The Company should be

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able to submit both the Total Washington and the jurisdictionally separated, Washington Intrastate deferred income taxes and excess deferred income tax balances within 30 days of the cost study filing, and no later than August 30, 2018.

WeavTel appreciates the WUTC's consideration and patience in responding to this Information Request. Should you have any questions or comments, please contact me at 509.682.5556.
Sincerely yours,

Richard J. Weaver
President/General Manager