

UT-073015

Pioneer Telephone Co.

Local and Long Distance Service

Serving LaCrosse, Endicott, Winona, Hooper, Dusty and Hay

Telephone 509/549-3511

P.O. Box 207

LaCrosse, Washington 99143-0207

July 23, 2007



Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Request for Certification Pursuant to WAC 480-123-060 and
47 C.F.R. §54.314

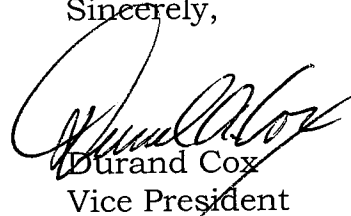
Dear Ms. Washburn:

Pursuant to WAC 480-123-060, Pioneer Telephone Company ("Company") hereby requests that the Washington Utilities and Transportation Commission certify that the Company has met the requirements of 47 C.F.R. §54.314 for eligibility for continued receipt of federal high-cost funds.

The certifications and reports that are specified in WAC 480-123-060, WAC 480-123-070 and WAC 480-123-080 are enclosed.

For the Commission's information, in addition to the Lifeline advertisement covered in the enclosed certification, Pioneer Telephone Company posts the Lifeline/WTAP information in the LaCrosse business office, has pamphlets available for such services in the business office, lists the Lifeline/WTAP services available in the Company's phone book and provides the Lifeline/WTAP information to all new customers at the time the customer subscribes for telephone service.

Sincerely,


Durand Cox
Vice President

RECEIVED
RECORDS MAINTENANCE
07 JUL 17 AM 8:40
STATE OF WASH
UTIL. AND TRANSP.

Enclosures

**AFFIDAVIT CONTAINING CERTIFICATIONS
PURSUANT TO WAC 480-123-060 AND WAC 480-123-070**

I, Durand Cox, being of lawful age, state that I am Vice President of Pioneer Telephone Company of ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission") for use by the Commission in providing the certification to the Federal Communications Commission and Universal Service Administrative Company required by 47 C.F.R. §54.314, as follows:

- (1) That the Company will use federal high-cost universal service fund support only for the provision, maintenance and upgrading of the facilities and services for which the support is intended;
- (2) That during the 2006 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);
- (3) That during the 2006 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and
- (4) That during the 2006 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 13th day of July, 2007 at LaCrosse, Washington.

Company: Pioneer Telephone Company

By: 

Its: Vice President

**REPORTS AS REFERENCED IN WAC 480-123-070
AND WAC 480-123-080**

Pioneer Telephone Company (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.¹

Report 1: WAC 480-123-070(1)(a): Attached is a copy of the Company's NECA-1 Reports for the calendar years 2005 and 2006, that, as of the date of the reports, the Company has reported as the basis for support from the federal high-cost fund.

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited customers as follows:

Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. §254 of providing high quality telecommunications services to customers in the service area for which the Company is designated as an ETC.² The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1, above, generally benefit all customers receiving the federal high-cost fund supported services from the Company within its designated service area. In addition, during 2006, the Company was engaged in a major investment project within its designated ETC service area as described below:

The Company upgraded their subscriber plant by installing fiber optic cable facilities to four subscriber carrier systems costing \$1,447,000 and central office transmission equipment at a cost of \$266,170. Use of fiber optic cable provides additional telecommunications services, including, but not limited to, advanced services, that can be provided to customers. The upgrade will provide broadband services to the subscribers in these four areas. This project improves service to approximately 132 of the Company's customers in its designated ETC service area.

Report 3: WAC 480-123-070(4): The Company reports that during the calendar year 2006, the Company did not receive from either the Federal Communications Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington any complaints against the Company made by the Company's customers.

¹ It is the Company's understanding that it is not required to submit the reports described in WAC 480-123-070(2) and (3).

² The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

Report 4: WAC 480-123-080(1)(b): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2007, through December 31, 2007, that the Company expects to use as a basis to request federal high-cost support are expected to be relatively similar to those investments and expenses the Company has set forth in its information filed under Report 1, above, taking into account normal fluctuations in investment and expense levels. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2006, subject to the effects of inflation and other commonly experienced changes in cost of labor and materials. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company expects that it will have a lower level of investment related to maintenance, replacement and minor upgrades of equipment and plant as occurred in calendar year 2006, since the installation of the fiber optic cable and central office transmission equipment was a large project.

Report 5: WAC 480-123-080(2): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2008, through December 31, 2008, that the Company expects to use as a basis to request federal high-cost support are expected to be relatively similar to those investments and expenses the Company has set forth in its information filed under Report 1, above, taking into account normal fluctuations in investments and expense levels. The Company expects that levels of expenses will remain relatively the same as those experienced in calendar year 2006, subject to the effects of inflation and other commonly experienced changes in cost of labor and materials. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area do not include a major construction project at the present time. The Company expects that it will have a lower level of investment related to maintenance, replacement and minor upgrades of equipment and plant as occurred in calendar year 2006 since the installation of the fiber optic cable and central office transmission equipment was a large project. The Company has not completed its budgeting process and does not have final numbers prepared for investment and expense levels for 2008. The Company expects that the continued receipt of federal high-cost support will allow the Company to continue to provide the supported service at rates that are comparable to the rates for such services in urban areas. All customers in the Company's designated ETC service area will benefit from the expected level of support by continuing to have available to them services that are comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.

APPLIES TO PERIOD: YEAR END 12/2006	REG: 5	PACIFIC
CONTACT NAME: Terri Baker	SST: 3	SUBSET 3
CONTACT PHONE: (509)-549-3511 EXT:	OO: *****	
RELEASE STATUS: SPECIAL RELEASED	CO: 000002437	Pioneer Tel. Co.
SOFT EDIT STATUS: PASSED EDIT	SAR: 522437	PIONEER TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
060 TOTAL LOOPS	876	EC
070 CAT. 1.3 LOOPS	857	EC
160 ACCOUNT 2001	11,983,907	EC
170 ACCOUNT 1220	191,611	EC
190 ACCOUNT 3100	5,039,543	EC
195 ACCOUNT 3400	0	EC
210 ACCOUNT 4340	168,819	EC
220 NET PLANT INVESTMENT	6,967,156	EC
230 ACCOUNT 2210	1,417,868	EC
235 ACCOUNT 2220	0	EC
240 ACCOUNT 2230	1,605,927	EC
245 TOTAL CENTRAL OFFICE	3,023,795	EC
250 CKT EQUIP CAT 4.13	1,006,904	EC
255 ACCOUNT 2410	7,906,248	EC
260 ACCOUNT 3100 (2210)	1,416,083	EC
265 ACCOUNT 3100 (2220)	0	EC
270 ACCOUNT 3100 (2230)	667,326	EC
275 ACCOUNT 3100 (2210-2230)	2,083,409	EC
280 ACCOUNT 3100 (2410)	2,191,685	EC
310 ACCOUNT 4340 (2210)	17,074	EC
315 ACCOUNT 4340 (2220)	0	EC
320 ACCOUNT 4340 (2230)	13,401	EC
325 NET NONOCURRENT	30,475	EC
330 ACCOUNT 4340 (2410)	138,068	EC
335 ACCOUNT 6110 TOTAL	7,851	EC
340 ACCOUNT 6110 BENEFITS	565	EC
345 ACCOUNT 6110 RENTS	0	EC
350 ACCOUNT 6120 TOTAL	17,276	EC
355 ACCOUNT 6120 BENEFITS	293	EC
360 ACCOUNT 6120 RENTS	0	EC
365 ACCOUNT 6210 TOTAL	14,707	EC
370 ACCOUNT 6210 BENEFITS	2,390	EC
375 ACCOUNT 6210 RENTS	0	EC
380 ACCOUNT 6220 TOTAL	0	EC
385 ACCOUNT 6220 BENEFITS	0	EC
390 ACCOUNT 6220 RENTS	0	EC
395 ACCOUNT 6230 TOTAL	16,855	EC
400 ACCOUNT 6230 BENEFITS	3,883	EC
405 ACCOUNT 6230 RENTS	0	EC
410 ACCOUNT 6210-6230	31,562	EC
430 ACCOUNT 6410 TOTAL	224,714	EC
435 ACCOUNT 6410 BENEFITS	71,169	EC
440 ACCOUNT 6410 RENTS	0	EC
445 TOTAL PLANT SPECIFIC	281,403	EC
450 ACCOUNT 6530 TOTAL	47,829	EC
455 ACCOUNT 6530 BENEFITS	9,611	EC
510 ACCOUNT 6560 (2210)	154,591	EC
515 ACCOUNT 6560 (2220)	0	EC
520 ACCOUNT 6560 (2230)	152,274	EC
525 ACCOUNT 6560 (2210-2230)	306,865	EC
530 ACCOUNT 6560 (2410)	344,979	EC

APPLIES TO PERIOD: YEAR END 12/2006 REG: 5 PACIFIC
CONTACT NAME: Terri Baker SST: 3 SUBSET 3
CONTACT PHONE: (509)-549-3511 EXT: OO: *****
RELEASE STATUS: SPECIAL RELEASED CO: 000002437 Pioneer Tel. Co.
SOFT EDIT STATUS: PASSED EDIT SAR: 522437 PIONEER TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
535 ACCOUNT 6710 TOTAL	11,840	EC
540 ACCOUNT 6710 BENEFITS	1,970	EC
550 ACCOUNT 6720 TOTAL	248,603	EC
555 ACCOUNT 6720 BENEFITS	31,568	EC
565 SUM OF LINES 535 + 550	260,443	EC
600 BEN. POR.OF ALL OP. EXP.	135,886	EC
610 RENT POR. OF ALL OP. EXP	0	EC
650 ACCOUNT 7200 OTHER TAXES	52,370	EC
700 2410 (C S TOTAL CWF - AV)	7,182,748	EC
710 2410 (C S CWF - CAT.1)	4,644,954	EC
800 ACCOUNT 2680 TOTAL	0	EC
805 ACCOUNT 2680 (2230)	0	EC
810 ACCOUNT 2680 (CAT. 4.13)	0	EC
815 ACC 2680 (2410) TOTAL CWF	0	EC
820 ACC 2680 (2410)CWF-CAT1	0	EC
830 ACCOUNT 6560 (2680)	0	EC

COMMENTS:

1. 11C and 31C - CWF increased due to closing of fiber projects in 2006 in the amount of \$1.4 M for Dusty and Hooper areas.
2. 32C - COE Transmission closed workorders in 2006 for OCCAM Equipment at various remotes in the amount of \$246,000.

APPLIES TO PERIOD: YEAR END 12/2005 REG: 5 PACIFIC
 CONTACT NAME: Terri Baker SST: 3 SUBSET 3
 CONTACT PHONE: (509)-549-3511 EXT: OO: *****
 RELEASE STATUS: SPECIAL RELEASED CO: 000002437 Pioneer Tel. Co.
 SOFT EDIT STATUS: FAILED EDIT SAR: 522437 PIONEER TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
060 TOTAL LOOPS	908	EC
070 CAT. 1.3 LOOPS	883	EC
160 ACCOUNT 2001	10,420,169	EC
170 ACCOUNT 1220	187,644	EC
190 ACCOUNT 3100	4,598,209	EC
195 ACCOUNT 3400	0	EC
210 ACCOUNT 4340	117,187	EC
220 NET PLANT INVESTMENT	5,892,417	EC
230 ACCOUNT 2210	1,385,639	EC
235 ACCOUNT 2220	0	EC
240 ACCOUNT 2230	1,572,096	EC
245 TOTAL CENTRAL OFFICE	2,957,735	EC
250 CKT EQUIP CAT 4.13	730,928	EC
255 ACCOUNT 2410	6,459,247	EC
260 ACCOUNT 3100 (2210)	836,088	EC
265 ACCOUNT 3100 (2220)	0	EC
270 ACCOUNT 3100 (2230)	1,173,645	EC
275 ACCOUNT 3100 (2210-2230)	2,009,733	EC
280 ACCOUNT 3100 (2410)	1,846,706	EC
310 ACCOUNT 4340 (2210)	52,586	EC
315 ACCOUNT 4340 (2220)	0	EC
320 ACCOUNT 4340 (2230)	-36,969	EC
325 NET NONOCURRENT	15,617	EC
330 ACCOUNT 4340 (2410)	90,755	EC
335 ACCOUNT 6110 TOTAL	9,613	EC
340 ACCOUNT 6110 BENEFITS	715	EC
345 ACCOUNT 6110 RENTS	0	EC
350 ACCOUNT 6120 TOTAL	13,511	EC
355 ACCOUNT 6120 BENEFITS	197	EC
360 ACCOUNT 6120 RENTS	0	EC
365 ACCOUNT 6210 TOTAL	21,125	EC
370 ACCOUNT 6210 BENEFITS	3,808	EC
375 ACCOUNT 6210 RENTS	0	EC
380 ACCOUNT 6220 TOTAL	0	EC
385 ACCOUNT 6220 BENEFITS	0	EC
390 ACCOUNT 6220 RENTS	0	EC
395 ACCOUNT 6230 TOTAL	8,567	EC
400 ACCOUNT 6230 BENEFITS	1,280	EC
405 ACCOUNT 6230 RENTS	0	EC
410 ACCOUNT 6210-6230	29,692	EC
430 ACCOUNT 6410 TOTAL	233,595	EC
435 ACCOUNT 6410 BENEFITS	71,361	EC
440 ACCOUNT 6410 RENTS	0	EC
445 TOTAL PLANT SPECIFIC	286,411	EC
450 ACCOUNT 6530 TOTAL	63,161	EC
455 ACCOUNT 6530 BENEFITS	10,579	EC
510 ACCOUNT 6560 (2210)	152,747	EC
515 ACCOUNT 6560 (2220)	0	EC
520 ACCOUNT 6560 (2230)	42,547	EC
525 ACCOUNT 6560 (2210-2230)	195,294	EC
530 ACCOUNT 6560 (2410)	264,578	EC

APPLIES TO PERIOD: YEAR END 12/2005 REG: 5 PACIFIC
CONTACT NAME: Terri Baker SST: 3 SUBSET 3
CONTACT PHONE: (509)-549-3511 EXT: OO: *****
RELEASE STATUS: SPECIAL RELEASED CO: 000002437 Pioneer Tel. Co.
SOFT EDIT STATUS: FAILED EDIT SAR: 522437 PIONEER TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
535 ACCOUNT 6710 TOTAL	14,844	EC
540 ACCOUNT 6710 BENEFITS	2,912	EC
550 ACCOUNT 6720 TOTAL	263,403	EC
555 ACCOUNT 6720 BENEFITS	29,527	EC
565 SUM OF LINES 535 + 550	278,247	EC
600 BEN. POR.OF ALL OP. EXP.	135,888	EC
610 RENT POR. OF ALL OP. EXP	0	EC
650 ACCOUNT 7200 OTHER TAXES	66,695	EC
700 2410 (C S TOTAL CWF - AV)	4,265,017	EC
710 2410 (C S CWF - CAT.1)	2,755,798	EC
800 ACCOUNT 2680 TOTAL	0	EC
805 ACCOUNT 2680 (2230)	0	EC
810 ACCOUNT 2680 (CAT. 4.13)	0	EC
815 ACC 2680 (2410) TOTAL CWF	0	EC
820 ACC 2680 (2410)CWF-CAT1	0	EC
830 ACCOUNT 6560 (2680)	0	EC

COMMENTS:

1. Line 320 is negative but not significant. Net deferred income taxes is a postive figure.
2. Pioneer had significant Cental Office and Cable Wire Facilitlies investment added in 2005, causing depreciation cost to rise as well. Pioneer put in a new toll route and subscriber plant for 2005.